Odebrecht Offshore Drilling Finance Limited

U.S.$580,000,000
6.625% Senior Secured Notes due 2022
Offering Price 99.996%

Odebrecht Offshore Drilling Finance Limited, an exempted company organized under the laws of the Cayman Islands, or the Issuer, is offering U.S.$580,000,000 million aggregate principal amount of its 6.625% senior secured notes due 2022, or the new notes. The new notes are being offered as additional new series notes under the indenture, dated as of August 6, 2013, or the original indenture, pursuant to which we issued U.S.$1,690,000,000 principal amount of our 6.75% senior secured notes due 2022, or the initial notes. The new notes will be issued under a supplemental indenture to the original indenture, or the supplemental indenture. The new notes will be treated as a separate series, and will have different ISIN and CUSIP numbers from and will not be fungible for trading purposes with the initial notes. References to the "notes" are to the new notes and the initial notes collectively, and references to the "indenture" are to the original indenture as amended, modified and supplemented by the supplemental indenture, in each case unless the context otherwise requires.

The final maturity date of the new notes may be extended by up to two additional six-month periods under certain circumstances described in the supplemental indenture. See "Description of Notes—Basic Terms of New Notes—Maturity Date Extension." The Issuer will, under certain circumstances, be entitled to a one-time deferral of its obligation to pay all or a portion of principal on the new notes on any Quarterly Payment Date (as defined in the indenture) and, at its discretion, on the next succeeding Quarterly Payment Date, which shall be due on the second Quarterly Payment Date occurring thereafter. See "Description of Notes—Basic Terms of New Notes—Deferral of Principal Payment." The new notes will bear interest at the rate of 6.625% per year. Interest on the new notes will be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing on June 1, 2014. The new notes will be fully and unconditionally jointly and severally guaranteed on a senior secured basis by ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH, each a limited liability company (*Gesellschaft mit beschränkter Haftung*) organized under the laws of Austria, or the Project Companies or the Guarantors. The new notes will be senior secured obligations of the Issuer, will rank senior in right of payment to all of the Issuer's future subordinated obligations and equal in right of payment with all of the Issuer's existing and future unsubordinated obligations, in each case, to the extent permitted under the indenture. The guarantees by the Project Companies, or the Note Guarantees, will rank senior in right of payment to all of the Project Companies' future subordinated obligations and equal in right of payment with all of the Project Companies' existing and future unsubordinated obligations, in each case, to the extent permitted under the indenture. The notes and the Note Guarantees will benefit from a first priority security interest in substantially all of the assets of the Issuer and the Project Companies (other than the Equity Interests (as defined in the indenture) in, and the assets of, Odebrecht Drilling Services LLC, a subsidiary of Odebrecht Drilling Norbe Six GmbH) and all of the Equity Interests (as defined in the supplemental indenture) in each of the Issuer and the Project Companies.

The proceeds of the new notes will be deposited into the Note Proceeds Account (as defined in the indenture) and will be lent by the Issuer to ODN Tay IV GmbH (1) in connection with the release of ODN Tay IV GmbH from the ODN Tay IV Existing Project Finance Obligations (as defined in the supplemental indenture) incurred by ODN Tay IV GmbH in connection with its purchase of a dynamically positioned semi-submersible drilling rig known as the ODN Tay IV Drilling Rig, (2) to pay costs and expenses incurred or to be incurred by the Project Companies in connection with this offering, (3) to fund the Offshore Sinking Fund Account (as defined in the Guarantor Accounts Agreement) and (4) for general corporate purposes of ODN Tay IV GmbH, which may include making distributions or loans to Odebrecht Óleo e Gás S.A., or Odebrecht Oil & Gas or the Operator, or any of its affiliates. See "Description of Notes—Certain Covenants—Use of Proceeds." The ODN Tay IV Drilling Rig has been chartered by ODN Tay IV GmbH to Petróleo Brasileiro S.A., or Petrobras, under a charter agreement expiring on February 29, 2020, or the ODN Tay IV Charter Agreement, with an option to extend for up to seven additional years in total upon mutual agreement of the parties. The dynamically positioned semi-submersible drilling rig known as the Norbe VI Drilling Rig (together with the ODN Tay IV Drilling Rig, the Drilling Rigs) has been chartered by Odebrecht Drilling Norbe Six GmbH to Petrobras, under a charter agreement expiring on March 27, 2019, or the Norbe VI Charter Agreement, with an option to extend for up to seven additional years in total upon mutual agreement of the parties. The two dynamically positioned offshore ultra deepwater drillships known as the ODN I Drillship and the ODN II Drillship (collectively, the Drillships, and together with the Drilling Rigs, the Vessels) are owned by ODN I GmbH and have been chartered by ODN I GmbH to Petrobras under charter agreements expiring on September 10, 2022, or the ODN I Charter Agreement, and August 26, 2022, or the ODN II Charter Agreement, respectively, each with options to extend for up to ten additional years in total upon mutual agreement of the parties. The ODN Tay IV Charter Agreement, the Norbe VI Charter Agreement, the ODN I Charter Agreement and the ODN II Charter Agreement are collectively referred to as the Charter Agreements. Payments from Petrobras under the Charter Agreements are required to be made in U.S. dollars to collateral accounts of the Project Companies in London, which collateral accounts are pledged to the Collateral Agent for the benefit of the holders of the notes to secure payment of the principal, the premium, if any, and interest on the notes. The Operator operates (1) the ODN Tay IV Drilling Rig off the coast of Brazil under a services agreement with Petrobras expiring on February 29, 2020, or the ODN Tay IV Services Agreement, with an option to extend for up to seven additional years in total upon mutual agreement of the parties, (2) the Norbe VI Drilling Rig off the coast of Brazil under a services agreement with Petrobras expiring on March 27, 2019, or the Norbe VI Services Agreement, with an option to extend for up to seven additional years in total upon mutual agreement of the parties, (3) the Drillships off the coast of Brazil under services agreements with Petrobras expiring on September 10, 2022, or the ODN I Services Agreement, and August 26, 2022, or the ODN II Services Agreement, respectively, each with options to extend for up to ten additional years in total upon mutual agreement of the parties. The ODN Tay IV Services Agreement, the Norbe VI Services Agreement, the ODN I Services Agreement and the ODN II Services Agreement are collectively referred to as the Services Agreements. Payments from Petrobras to the Operator under the Services Agreements are required to be made in Brazilian *reais* to collateral accounts of the Operator in Brazil, which collateral accounts are pledged to the Collateral Agent for the benefit of the holders of the notes to secure payment of the principal, the premium, if any, and interest on the notes.

See "Risk Factors" beginning on page 22 for a discussion of certain risks that you should consider in connection with an investment in the notes.

The Issuer may redeem the new notes, in whole but not in part, at 100% of their principal amount plus accrued interest and additional amounts, if any, upon the occurrence of specified events relating to tax laws in the Cayman Islands, Austria and certain other jurisdictions. The Issuer may also at its option redeem the new notes, in whole or in part, at a "make-whole" redemption price equal to (1) 100% of the principal amount of the new notes being redeemed plus (2) the present value at such redemption date of all required interest payments on such new notes through their final maturity date (excluding accrued but unpaid interest to the redemption date), plus accrued and unpaid interest and additional amounts, if any, on such new notes to, but excluding, the redemption date. In addition, on any Quarterly Payment Date (as defined in the supplemental indenture) occurring after September 28, 2021, the Issuer may redeem the new notes, in whole or in part, at 100% of the principal amount of the new notes plus accrued and unpaid interest and additional amounts, if any. See "Description of Notes—Optional Redemption."

If as of the ODN Tay IV Note Proceeds Account Threshold Date (which represents the date occurring 120 days after the date of the Supplemental Indenture, dated as of February 25, 2014, entered into among the Issuer, the Guarantors, the Trustee and other parties thereto) (1) the ODN Tay IV Existing Project Finance Obligations are not repaid in full or purchased or (2) all funds on deposit in the Note Proceeds Account as a result of the issuance of the new notes are not released, the Issuer shall be obligated to redeem the maximum principal amount of the new notes, together with accrued and unpaid interest, that may be redeemed with the funds then held on deposit in the Note Proceeds Account, at a redemption price equal to 100% of the principal amount of the new notes to be redeemed. See "Description of Notes—Mandatory Redemption."

Upon the occurrence of an Event of Loss (as defined in the indenture), the Issuer will be required to offer to use any Excess Loss Proceeds (as defined in the indenture) to purchase the new notes at 100% of the principal amount thereof, together with accrued and unpaid interest, if any. See "Description of Notes—Repurchase of Notes upon an Event of Loss." Upon a Disposition (as defined in the indenture), the Issuer will be required to offer to use any Excess Disposition Proceeds (as defined in the indenture) to purchase the new notes at 100% of the principal amount thereof, together with accrued and unpaid interest, if any. See "Description of Notes—Repurchase of Notes upon a Disposition." If a Change of Control (as defined in the supplemental indenture) that results in a Rating Decline (as defined in the indenture) occurs, the Issuer will be required to offer to purchase all of the new notes at 101% of the principal amount thereof, together with accrued and unpaid interest, if any. See "Description of Notes—Repurchase of Notes upon a Change of Control."

The new notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the Securities Act, or the securities laws of any other jurisdiction. The Issuer is offering the new notes only to qualified institutional buyers under Rule 144A under the Securities Act, or Rule 144A, and to persons outside the United States under Regulation S under the Securities Act, or Regulation S.

There is currently no public market for the new notes. We have applied to admit the new notes to listing on the Official List of the Luxembourg Stock Exchange and to trade on the Euro MTF market of that exchange.

Delivery of the new notes was made to investors in book-entry form on February 25, 2014 through The Depository Trust Company, or DTC, and its participants, including Euroclear Bank S.A./N.V., or Euroclear, and Clearstream Banking, *société anonyme*, Luxembourg, or Clearstream.

Global Coordinators and Bookrunners *Bookrunners*

Santander **HSBC** **BNP PARIBAS** **Bradesco BBI** **Itaú BBA** **Morgan Stanley**

Co-Managers

Credit Agricole Securities **Mitsubishi UFJ Securities**

The date of this offering circular is May 13, 2014.

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In this offering circular, the terms "Issuer" or "OODFL" refers to Odebrecht Offshore Drilling Finance Limited, an exempted company organized under the laws of the Cayman Islands, except where the context requires otherwise. The terms "Operator" and "Odebrecht Oil & Gas" refer to Odebrecht Óleo e Gás S.A. and the terms "Project Companies" or "Guarantors" refer to ODN I GmbH Odebrecht Drilling, Norbe Six GmbH and ODN Tay IV GmbH, each a limited liability company (*Gesellschaft mit beschränkter Haftung*) organized under the laws of Austria. The terms "we," "us" or "our" refer collectively to the Issuer and the Project Companies. The term "Brazil" refers to the Federative Republic of Brazil. The phrase "Brazilian government" refers to the federal government of the Federative Republic of Brazil.

You should rely on the information contained in this offering circular. Neither we nor the initial purchasers have authorized anyone to provide you with information different from that contained in this offering circular. The new notes are being offered, and offers to purchase the new notes are being sought, only in jurisdictions where such offers and sales are permitted. The information contained in this offering circular is accurate only as of the date of this offering circular, regardless of the time of delivery of this offering circular or of any sale of the new notes.

No representation or warranty, express or implied, is made by the initial purchasers as to the accuracy or completeness of any of the information in this offering circular, and nothing contained herein is or shall be relied upon as a promise or representation by the initial purchasers or any of their affiliates or advisers, as to the past, present or future.

We have prepared this offering circular for use solely in connection with the proposed offering of the new notes, and may only be used for the purposes for which it has been published. This offering circular is personal to the offeree to whom it has been delivered by Santander Investment Securities Inc., HSBC Securities (USA) Inc., BNP Paribas Securities Corp., Banco Bradesco BBI S.A., Itau BBA USA Securities, Inc. and Morgan Stanley & Co. LLC or the initial purchasers, and does not constitute an offer to any other person or to the public in general to purchase or otherwise acquire the new notes. Distribution of this offering circular to any person other than the offeree and those persons, if any, retained to advise that offeree with respect thereto is unauthorized, and any disclosure of any of its contents without our prior written consent is prohibited. Each offeree, by accepting delivery of this offering circular, agrees to the foregoing and agrees to make no photocopies of this offering circular.

The offering is being made in reliance upon an exemption from registration under the Securities Act, for an offer and sale of securities that does not involve a public offering. The new notes are subject to restrictions on transferability and resale, and may not be transferred or resold in the United States except as permitted under the

Securities Act and applicable U.S. state securities laws pursuant to registration under or exemption from them. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements set forth in this offering circular under the caption "Transfer Restrictions." You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. In making an investment decision, you must rely on your own examination of our business and the terms of this offering, including the merits and risks involved. The new notes have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not confirmed the accuracy or determined the adequacy of this offering circular. Any representation to the contrary is a criminal offense.

We accept responsibility for the information contained in this offering circular. We have made all due inquiries and confirm that to the best of our knowledge and belief, the information contained in this offering circular is in accordance with the facts and does not omit anything likely to affect the import of such information. The Luxembourg Stock Exchange takes no responsibility for the contents of this offering circular, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this offering circular. This offering circular constitutes a prospectus for the purpose of Luxembourg law dated July 10, 2005 on Prospectuses for Securities, as amended.

You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase, offer or sell the new notes, or possess or distribute this offering circular and must obtain any consent, approval or permission required for the purchase, offer or sale of the new notes under the laws and regulations in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales, and neither we nor the initial purchasers will have any responsibility therefor.

We and the initial purchasers reserve the right to reject any offer to purchase, in whole or in part, and for any reason, the new notes offered hereby.

This offering circular has been prepared on the basis that any offer of the new notes in any Member State of the European Economic Area, or the EEA, which has implemented the Prospectus Directive (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of new notes. Accordingly, any person making or intending to make any offer in that Relevant Member State of new notes which are the subject of the offering contemplated in this offering circular may only do so in circumstances in which no obligation arises for the Issuer or the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor the initial purchasers have authorized, nor do they authorize, the making of any offer of the new notes in circumstances in which an obligation arises for the Issuer or the initial purchasers to publish or supplement a prospectus for such offer. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

This offering circular does not constitute an offer of new notes to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the new notes. Consequently, this document is being distributed only to, and is directed only at (1) persons who are outside the United Kingdom or (2) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or the Order, or (3) high net worth entities falling within Article 49(2) of the Order and other persons to whom it may lawfully be communicated (all such persons together, the "relevant persons"). Any person who is not a relevant person should not act or rely on this document or any of its contents. Persons into whose possession this offering circular may come are required by the Issuer, the Guarantors and the initial purchasers to inform themselves about and to observe such restrictions.

In connection with this offering, the initial purchasers may engage in transactions that stabilize, maintain or otherwise affect the price of the new notes. Specifically, the initial purchasers may over-allot in connection with this offering, may bid for and purchase new notes in the open market and may impose penalty bids. For a description of these activities, see "Plan of Distribution."

To permit compliance with Rule 144A under the Securities Act in connection with resales of the new notes, we are required to furnish upon request of a holder of the new notes or a prospective purchaser designated by such holder of the new notes the information required to be delivered under Rule 144A(d)(4) under the Securities Act if,

at the time of such request, we are neither a reporting company under Section 13 or Section 15(d) of the Securities Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

NOTICE TO INVESTORS WITHIN BRAZIL

THE NEW NOTES (AND RELATED GUARANTEES) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED WITH THE BRAZILIAN SECURITIES COMMISSION (*COMISSÃO DE VALORES MOBILIÁRIOS*), OR THE CVM. THE NEW NOTES MAY NOT BE OFFERED OR SOLD IN BRAZIL, EXCEPT IN CIRCUMSTANCES THAT DO NOT CONSTITUTE A PUBLIC OFFERING OR UNAUTHORIZED DISTRIBUTION OF SECURITIES UNDER BRAZILIAN LAWS AND REGULATIONS. THE NEW NOTES (AND RELATED GUARANTEES) ARE NOT BEING OFFERED INTO BRAZIL. DOCUMENTS RELATING TO THE OFFERING OF THE NEW NOTES, AS WELL AS INFORMATION CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC IN BRAZIL, NOR BE USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OR SALE OF THE NEW NOTES TO THE PUBLIC IN BRAZIL.

NOTICE TO MEMBERS OF THE PUBLIC OF THE CAYMAN ISLANDS

SECTION 175 OF THE COMPANIES LAW (2013 REVISION) OF THE CAYMAN ISLANDS PROVIDES THAT AN EXEMPTED COMPANY (SUCH AS THE ISSUER) THAT IS NOT LISTED ON THE CAYMAN ISLANDS STOCK EXCHANGE IS PROHIBITED FROM MAKING ANY INVITATION TO THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR ANY OF ITS NOTES. EACH PURCHASER OF THE NEW NOTES AGREES THAT NO INVITATION MAY BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR THE NEW NOTES.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("RSA") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO INVESTORS IN PERU

In Peru, this will be a private offering pursuant to local securities laws and regulations. The new notes and the information contained in this offering circular have not been and will not be registered with or approved by the *Superintendencia del Mercado de Valores* (SMV). We have applied to register the new notes in the Registry for Non-Peruvian Investment Instruments and Derivative Transactions of the *Superintendencia de Banca, Seguros y AFP* (SBS) for Peruvian pension fund investment eligibility.

NOTICE TO INVESTORS IN AUSTRIA

This offering circular serves marketing purposes and constitutes neither an offer to sell nor a solicitation to buy any securities. There is no intention to make a public offer in Austria. Should a public offer be made in Austria, a prospectus prepared in accordance with the Austrian Capital Market Act (*Kapitalmarktgesetz*) and approved by or notified to the Austrian Financial Market Authority (FMA) will be published. The new notes may only be offered in the Republic of Austria in compliance with the provisions of the Austrian Capital Market Act and any other laws applicable in the Republic of Austria governing the offer and sale of the new notes in the Republic of Austria. The new notes are not registered or otherwise authorized for public offer under the Austrian Capital Market Act or any other relevant securities legislation in Austria. The recipients of this offering circular and other selling materials in respect of the new notes have been individually selected and identified before the offer being made and are targeted exclusively on the basis of a private placement. Accordingly, the new notes may not be, and are not being, offered or advertised publicly or offered similarly under either the Austrian Capital Market Act or any other relevant securities legislation in Austria. This offering circular has been issued to each prospective investor for its personal use only. Accordingly, recipients of this offering circular are advised that this offering circular and any other selling materials in respect of the new notes shall not be passed on by them to any other person in Austria.

The new notes will be available initially only in book-entry form. We expect that the new notes will be issued in the form of one or more registered global notes. The global notes will be deposited with, or on behalf of DTC, and registered in its name or in the name of Cede & Co., its nominee. Beneficial interests in the global notes will be shown on, and transfers of beneficial interests in the global notes will be effected through, records maintained by DTC and its participants. We expect the Regulation S global notes, if any, to be deposited with the trustee, as custodian for DTC, and beneficial interests in them may be held through Euroclear and Clearstream or other participants. After the initial issuance of the global notes, certificated notes may be issued in registered form, which shall be in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000.

Additional Information

Application has been made to list the new notes on the Official List of the Luxembourg Stock Exchange and to trade the new notes on the Euro MTF market. See “Listing and General Information.” We will comply with any undertakings that we give from time to time to the Luxembourg Stock Exchange in connection with the new notes, and we will furnish to the Luxembourg Stock Exchange all such information required in connection with the listing of the new notes.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references in this offering circular to "*real*," "*reais*" or the symbol "R$" are to the legal currency of Brazil, the *Real*. All references to "dollar," "U.S. dollars" or the symbol "U.S.$" are to the legal currency of the United States, the U.S. dollar.

On May 9, 2014, the exchange rate for *reais* into U.S. dollars was R$2.219 to U.S.$1.00, based on the selling rate as reported by the Central Bank of Brazil (*Banco Central do Brasil*), or the Central Bank. The selling rate was R$2.343 to U.S.$1.00 as of December 31, 2013, R$2.043 to U.S.$1.00 as of December 31, 2012 and R$1.863 to U.S.$1.00 as of December 31, 2011, in each case, as reported by the Central Bank. The *real*/U.S. dollar exchange rate fluctuates widely, and the selling rate as of February 20, 2014 may not be indicative of future exchange rates. See "Exchange Rates" for information regarding exchange rates for the Brazilian currency since January 1, 2008.

Financial Statements

Financial Statements of the Issuer

The Issuer will not publish financial statements, except for such financial statements that the Issuer may be required to publish under the laws of the Cayman Islands. The balance sheet of the Issuer was prepared solely for the purpose of this Offering Circular. Currently, the Issuer is not required by Cayman Islands law to publish any financial statements and does not intend to publish any financial statements. In addition, the Issuer does not intend to furnish to the Trustee or the holders of the notes any financial statements of, or other reports relating to, it. The Issuer will not have any operations independent from the Project Companies. See "Business—The Issuer." The Issuer's obligations under the new notes are fully, unconditionally, irrevocably and jointly and severally guaranteed by the Project Companies.

Combined Financial Statements of the Project Companies

The Project Companies prepare their combined financial statements in U.S. dollars in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board - IASB, or IFRS. This offering circular includes elsewhere the combined financial statements of the Project Companies as of December 31, 2013 and for the year then ended (which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011), audited by our independent auditors, as stated in their reports included elsewhere in this offering circular. The Project Companies' combined financial information should be read in conjunction with the financial statements and related notes included elsewhere in this offering circular, as well as the information under "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

We have prepared combined financial statements based on assets, liabilities, revenues and expenses identified and segregated using the individual financial information of ODN I GmbH and ODN Tay IV GmbH for the year ended December 31, 2011 up to June 26, 2012, ODN I GmbH, Odebrecht Drilling Norbe VI GmbH and ODN Tay IV GmbH from June 27 to December 31, 2012 and ODN I GmbH, Odebrecht Drilling Norbe VI GmbH and ODN Tay IV GmbH for the year ended December 31, 2013. In the process of combination, when applicable, the account balances and results of unrealized intercompany transactions at the reporting date were eliminated. Thus, we present in this offering circular the combined statement of financial position, the combined statements of operations, changes in equity and cash flows of the Project Companies as of the dates and for the periods indicated herein.

The purpose of presenting combined financial statements is to provide comparative financial information related to the financial position, performance and cash flows of the Project Companies that were under common control as of the dates and for the periods presented. These combined financial statements, however, do not necessarily reflect the financial position of the Project Companies or their performances and the cash flows that would have been obtained had these entities been effectively operated as separate stand-alone entities, and that the financial statements are not necessarily indicative of future results that would have occurred if the business had been a separate stand-alone entity during the period presented, nor is it indicative of future results of their operation.

The individual financial statements of Odebrecht Drilling Norbe VI GmbH include the consolidated results and financial position of its wholly-owned subsidiary Odebrecht Drilling Services LLC, or ODS. The combined financial statements do not consolidate the results of operations or financial position of the Issuer.

General Remarks Regarding our Financial Information

The financial information included in this offering circular has been presented on a combined basis. The combined financial statements were prepared for the reasons explained above and do not represent actual operating results or shareholders' equity of the Project Companies if these transactions had occurred on the dates or during the periods indicated. The combined financial information included in this offering circular is not indicative of future results or our future shareholders' equity of the Project Companies. The combined financial information should not be reviewed as a basis for calculation of dividends, taxes or any other corporate obligations.

The combined financial statements as of December 31, 2013 and for the year then ended (which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011) were prepared considering that the Project Companies were under common control by Odebrecht Oil & Gas. The control is achieved when an entity has the power to manage the financial and operating policies of an entity so as to obtain benefits from its activities. When necessary, adjustments were made to the Project Companies combined financial statements in order to make their accounting policies consistent with those used by other members of the Odebrecht Group (as defined herein).

All intercompany transactions, balances, income and expenses have been eliminated in full in the combined financial statements.

Therefore, the discussion under "Management's Discussion and Analysis of Financial Condition and Results of Operations" presented in this offering circular was prepared based on the combined financial statements of the Project Companies for all the periods presented.

Market Data and Other Information

The Issuer, the Project Companies and the Operator obtained the statistical data and information relating to the market where the Project Companies operate from reports prepared by independent consulting firms and government bodies and from general publications. The Issuer, the Project Companies and the Operator have included data from reports prepared by them, the Central Bank, GL Noble Denton, Inc., or Noble Denton, Okeanos B.V., or Okeanos, Aon BankAssure Insurance Services Limited, or Aon, the International Energy Agency, or IEA, Petrobras, BP and Bloomberg. Although the Issuer and the Project Companies believe that these sources of information are reliable, none of the Issuer, the Project Companies or any of the initial purchasers has performed any independent verification with respect to any such statistical information and data and, therefore, the Issuer, the Project Companies and the initial purchasers cannot guarantee its accuracy or completeness. Nothing in this offering circular should be interpreted as a market forecast.

Independent Consultant Reports

Valuation Reports

Information in this offering circular regarding the appraisal of the fair market values of the Drillships and the Norbe VI Drilling Rig was derived from certain valuation reports dated as of March 31, 2013, March 31, 2013 and April 1, 2013, respectively, prepared by an independent safety, risk and integrity management company hired and compensated by the Operator, or the 2013 Valuation Reports and, in the case of the ODN Tay IV Drilling Rig, from a valuation report dated as of January 6, 2014, prepared by Noble Denton, an independent technical consultancy services company hired and compensated by the Operator, or the Noble Denton Valuation Report. The 2013 Valuation Reports and the Noble Denton Valuation Report are collectively referred to as the Valuation Reports. The Noble Denton Valuation Report is included in an appendix to this offering circular. See "Appendix A—Noble Denton Valuation Report." The Valuation Reports have not been updated since their respective date of preparation.

Investors should note that the 2013 Valuation Reports have not been included in an appendix to this offering circular and that these reports contain important assumptions, qualifications, methodologies and other information that form the basis for the conclusions set forth therein. Although certain valuations from these reports have been included in this offering circular, these assumptions, qualifications, methodologies and other information have not been described herein. In view of these uncertainties, investors should not rely exclusively on the information derived from the Valuation Reports included in this offering circular to make an investment decision and are also encouraged to carefully analyze all of the information included elsewhere in this offering circular.

Insurance Advisor Reports

Information in this offering circular regarding insurance for the Drillships and the Norbe VI Drilling Rig was derived from the report dated May 15, 2013, and for the ODN Tay IV Drilling Rig was derived from the report dated January 8, 2014, each prepared by Aon, an independent consultancy company specialized in offshore insurance, which was hired and compensated by the Operator, or the Insurance Advisor Reports, which are included in an appendix to this offering circular. See "Appendix B—Insurance Advisor Reports." The Insurance Advisor Reports have not been updated since the date of their preparation.

Independent Engineer Reports

Information in this offering circular regarding engineering for the Drillships and the Norbe VI Drilling Rig was derived from the report dated May 20, 2013, and for the ODN Tay IV Drilling Rig was derived from the report dated February 11, 2014, each prepared by Okeanos, an independent consultancy company specialized in offshore energy projects, which was hired and compensated by the Operator, or the Independent Engineer Reports, which are included in an appendix to this offering circular. See "Appendix C—Independent Engineer Reports." The Independent Engineer Reports have not been updated since the date of their preparation.

The Noble Denton Valuation Report, the Insurance Advisor Reports and the Independent Engineer Reports, or the Independent Consultant Reports, and the 2013 Valuation Reports have been prepared using, as applicable, market research, Vessel characteristics, estimates and judgments, analyses, projections and estimates, including with respect to future market trends, future supply and demand for the Vessels, future market conditions for the oil and gas industry, the condition of the Vessels, metrics for calculating the fair market value of the Vessels, current and future contracts for rigs, redeployment opportunities for the Vessels, expected dry-docking, the potential for future compensated dry-docking, operating expenses, inflation, labor market conditions and other information and projections, available to the Operator and each of Noble Denton, Okeanos and Aon, or the Independent Consultants, and an independent safety, risk and integrity management company that prepared the 2013 Valuation Reports, as the case may be, at the time of preparation of the applicable Independent Consultant Report or 2013 Valuation Reports, as the case may be, including, without limitation, certain related assumptions, analyses, projections and estimates. None of the Independent Consultant Report or 2013 Valuation Reports or the information derived therefrom has been updated since the respective dates of their preparation. For example, actual availability rates, revenues and bonus amounts occurring since the 2013 Valuation Reports were prepared have differed in some cases from those assumed in such reports. In the Operator's opinion, however, each of the Independent Consultant Reports and the 2013 Valuation Reports was prepared on a reasonable basis, reflecting the best estimates and judgments available at the time of their preparation. The information that has not been provided by the Issuer or the Operator and assumptions that form the basis for the Independent Consultant Reports and the 2013 Valuation Reports have not been subject to any independent examination or verification by the initial purchasers or by the Issuer, the Operator or the Project Companies, or by their independent auditors or other advisors. You should understand that the information contained in the Independent Consultant Reports and the information derived from the 2013 Valuation Reports, including projections, estimates, judgments and forward-looking statements, is subject to material risk and uncertainty. In view of these uncertainties, investors should not rely exclusively on these projections, estimates, judgments and forward-looking statements to make an investment decision and are also encouraged to carefully analyze all of the information included elsewhere in this offering circular.

The information included in the Independent Consultant Reports and derived from the 2013 Valuation Reports should not be taken as an indication of (1) the Vessels' fair market value, (2) a guarantee of the Vessels' future value, (3) the outlook for the ultra-deepwater rig market, (4) a guarantee of the Vessel's or the Project Companies' future performance, (5) the technical condition of the Vessels or (6) the future availability of the insurance coverage applicable to the Vessels. The projections, estimates, judgments and forward-looking statements included in the Independent Consultant Reports and derived from the 2013 Valuation Reports may not be realized considering that they are subject to a number of factors and based on assumptions, including, among others, certain of those described in "Forward-Looking Statements and Other Information."

Neither our independent auditors nor any other independent auditors, nor the initial purchasers, have compiled, examined or performed any procedures regarding any information underlying or deriving from any of the Independent Consultant Reports or 2013 Valuation Reports, nor have any of them expressed their opinion or otherwise passed upon any of the information contained in or derived from any of the Independent Consultant Reports or 2013 Valuation Reports, and none of them assume any responsibility for, and each of them denies any association with, the Independent Consultant Reports, the 2013 Valuation Reports and any information derived therefrom included elsewhere in this offering circular.

Our independent auditors' reports included herein refer exclusively to our historical financial information. Their respective reports do not cover any other information in this offering circular and should not be read otherwise.

The Independent Consultant Reports and 2013 Valuation Reports have not been prepared in accordance with the rules of any stock exchanges or any authorities responsible for the registration of securities of any jurisdiction.

The Independent Consultant Reports and the information derived from the 2013 Valuation Reports do not comprise all the information that may be important to making an investment decision. In view of these uncertainties, investors should not rely exclusively on the projections or other forward-looking statements included in or derived from any of the Independent Consultant Reports or 2013 Valuation Reports to make an investment decision and are urged to carefully analyze and conduct their own investigation of all of the information included in this offering circular, including the risk factors described elsewhere. See "Risk Factors."

Calculation of Backlog

Our backlog related to offshore drilling operations, operation of offshore production platforms, and subsea operations arises out of charters and services agreements. We calculate "backlog" with respect to these charters and services agreements by multiplying the applicable current day rates by the number of days remaining under the terms of these agreements assuming full compliance with all relevant provisions of these contracts by the parties thereto and full availability of the relevant vessels (which includes drillships, semi-submersible platforms, floating production, storage and offloading vessels, or FPSOs, and subsea vessels).

Our backlog related to maintenance and modification services arises out of maintenance service contracts. We calculate backlog with respect to these maintenance service contracts as the full price to be received for services rendered under these contracts assuming we complete the work within the time period and budget specified.

The actual amount of revenues earned may differ from backlog amounts described in this offering circular due to various factors, including dry-docking periods, downtime of the relevant vessels, disputes with counterparties, equipment failures, labor disputes, supply delays, supply expenses, inclement weather and other unforeseen occurrences. See "Forward-Looking Statements and Other Information." Accordingly, the actual amount of revenues earned may be substantially lower than the backlog reported in this offering circular.

Rounding

Some figures included in this offering circular may not represent exact amounts because they were rounded up or down for ease of presentation. Accordingly, the total results shown in tables included elsewhere in this offering circular may not correspond to the exact arithmetic sum of the figures that precede them.

FORWARD-LOOKING STATEMENTS AND OTHER INFORMATION

This offering circular contains estimates and forward-looking statements within the meaning of the Securities Act, principally in "Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Industry Overview" and "Business." Estimates, valuations and forward-looking statements are mainly based on the Issuer's and the Project Companies' current expectations and estimates of future events and trends, which affect or may affect businesses and operations. Although the Issuer and the Project Companies believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available to them. Many important factors, in addition to the factors described in this offering circular, may adversely affect the Project Companies' results as indicated in forward-looking statements.

The Project Companies' estimates and forward-looking statements may be influenced by the following factors, among others:

- the limited operating history of the Project Companies;
- any failure of the Vessels to perform satisfactorily;
- the Project Companies' significant leverage or inability to generate sufficient cash flow to meet their debt service requirements in respect of the Note Guarantees and the notes;
- any delays in payment by, or disputes with Petrobras under the Charter Agreements and the Services Agreements;
- the Project Companies' or Operator's inability to maintain, renew or extend the Charter Agreements and the Services Agreements;
- the Operator's inability to maintain operating expenses at adequate and profitable levels;
- the inability of the Project Companies to charter the Vessels upon termination of the Charter Agreements at adequate operational levels;
- the Project Companies' or the Operator's inability to meet any future capital expenditure requirements;
- the Project Companies' inability to respond to technological changes or to meet technological requirements in the areas in which the Vessels operate;
- the occurrence of any accident involving the Operator or the Vessels;
- changes in governmental regulations that affect the Issuer, the Project Companies, the Operator or Petrobras and interpretations of those regulations, particularly with regard to environmental matters, the oil and natural gas industry and taxes;
- increased competition in the deepwater and ultra-deepwater drilling market;
- unforeseen occurrences in Brazil, where the Vessels will operate during the term of the Charter Agreements and the Services Agreements, or any other areas where the Vessels may operate in the future, such as war, expropriation, nationalization, renegotiation or modification of licenses or treaties;
- taxation and resource development policies, changing political conditions and other risks relating to foreign investment;
- actions taken by the Project Companies' and the Operator's controlling shareholder;
- the cost and availability of adequate insurance coverage; and
- other risk factors discussed in the "Risk Factors" section of this offering circular.

The words “believe,” “may,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” and similar words are intended to identify estimates and forward-looking statements. Estimates and forward-looking statements speak only as of the date they were made, and except to the extent required by law, the Issuer, the Project Companies, the Operator and the initial purchaser undertake no obligation to update or to review any estimate and/or forward-looking statement because of new information, future events or other factors. Estimates and forward-looking statements involve risks and uncertainties and are not guarantees of future performance. As a result of the risks and uncertainties described above, the estimates and forward-looking statements discussed in this offering circular might not occur and the Project Companies’ future results and performance may differ materially from those expressed in these forward-looking statements due to, including, but not limited to, the factors mentioned above. Because of these uncertainties, you should not rely on these forward-looking statements when making an investment decision.

Forward-looking statements speak only as of the date they are made, and the Issuer, the Project Companies, the Operator and the initial purchasers do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

The Project Companies’ independent auditors have not examined or compiled the forward-looking statements, and, accordingly, do not provide any assurance with respect to such statements. Investors should consider these cautionary statements together with any written or oral forward-looking statements that the Issuer, the Project Companies and the Operator may issue in the future.

SUMMARY

This summary contains selected information about the Project Companies' and the Operator's business. It does not contain all the information that you should consider before investing in the new notes. This summary should be read in conjunction with the more detailed information appearing elsewhere in this offering circular, including the information contained in "Risk Factors," "Business," "Industry Overview," "Description of Principal Transaction Documents" and "Description of Notes."

Overview

Odebrecht Oil & Gas owns, indirectly through a subsidiary, and operates the Norbe VI Drilling Rig, an ultra-deepwater dynamic positioning semi-submersible platform. The Norbe VI Drilling Rig has been operational since July 2011, under initial seven-year charter and services agreements with Petrobras (renewable for up to seven additional years upon mutual agreement of the parties) and is currently positioned in the Roncador field in the Campos Basin. In addition, Delba Drilling B.V., or Delba, was awarded in 2008 by Petrobras, through an international public bidding process, the right to charter and operate two dynamically positioned ultra-deepwater drillships (Delba VII and VIII, later designated ODN I and ODN II) under ten-year charter and services agreements (each renewable for up to an additional ten years upon mutual agreement of the parties). The ODN I Drillship began operating in September 2012, and the ODN II Drillship began operating in August 2012. The ODN I Drillship and the ODN II Drillship are located in the Caratinga field, in the Campos Basin and the Franco NE field, in the Santos Basin, respectively. In 2010, the ODN I Charter Agreement and the ODN II Charter Agreement were assigned from Delba to ODN I GmbH, an indirect subsidiary of the Operator. In 2012, the ODN I Services Agreement and the ODN II Services Agreement were assigned from ODN I Perfurações Ltda., or ODN I Perfurações, to the Operator. The ODN Tay IV Drilling Rig has been operational since March 2013, under seven-year charter and services agreements with Petrobras (renewable for up to seven additional years upon mutual agreement of the parties) and is currently positioned in the Albacora Leste field, in the Campos Basin. In December 2011, the ODN Tay IV Charter Agreement was assigned from Delba to ODN Tay IV GmbH, an indirect subsidiary of the Operator. In December 2011, the ODN Tay IV Services Agreement was assigned from Comercial Perfuradora Delba Serviços Ltda., or Delba Serviços, to the Operator. The Operator has formed three special purpose companies, ODN I GmbH (or the ODN Project Company), to act as owner of the Drillships, Odebrecht Drilling Norbe Six GmbH (or the Norbe VI Project Company), to act as owner of the Norbe VI Drilling Rig and ODN Tay IV GmbH (or the ODN Tay IV Project Company), to act as owner of the ODN Tay IV Drilling Rig. The Norbe VI Project Company, the ODN Project Company and the ODN Tay IV Project Company are referred to as the Project Companies. Delba indirectly owns 40% of the shares in the ODN Project Company and 31.5% of the ODN Tay IV Project Company.

The Issuer

The Issuer, Odebrecht Offshore Drilling Finance Limited, is a wholly-owned subsidiary of the Project Companies (as of the date of this offering circular, 50.18% is held by the ODN Project Company, 24.27% is held by the Norbe VI Project Company and 25.55% is held by the ODN Tay IV Project Company). The Issuer was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on May 23, 2013. In August 2013, the Issuer issued the initial notes in the aggregate principal amount of U.S.$1,690 million. The initial notes were used to satisfy the then-existing debt obligations of the ODN Project Company and Norbe VI Project Company and for general corporate purposes of such Project Companies and Odebrecht Oil & Gas. The initial notes and the new notes were and will be issued pursuant to the same general terms and conditions, including covenants and collateral package except for the interest rate and the amortization profile. See "Description of Notes." The proceeds of the new notes will be used by the Issuer to make intercompany loans to the ODN Tay IV Project Company to cause the release of the ODN Tay IV Project Company from all ODN Tay IV Existing Project Finance Obligations (see "Use of Proceeds"), to pay costs and expenses incurred or to be incurred by the Project Companies in connection with this offering, to fund the Offshore Sinking Fund Account pursuant to the terms of the Guarantor Accounts Agreement and for general corporate purposes of the ODN Tay IV Project Company, which may include making distributions or loans to the Operator or any of its affiliates. These intercompany loans will be evidenced by promissory notes, or the ODN Tay IV Intercompany Notes, having an aggregate principal amount equal to the aggregate principal amount of the new notes and economic terms substantially the same as the new notes. The proceeds of the new notes will be deposited into the Note Proceeds Account, which has been pledged to the Collateral Agent for the benefit of the holders of the notes to secure payment of the principal, the premium, if

any, and interest on the notes. The proceeds from the new notes will be released from the Note Proceeds Account in two steps. The first portion of the proceeds of the new notes will be used to cause the release of the ODN Tay IV Project Company from all ODN Tay IV Existing Project Finance Obligations, to pay certain costs and expenses in connection with this offering and to fund the Offshore Sinking Fund Account and will be released upon delivery to the Collateral Agent of certain certificates and legal opinions of counsel to the Issuer to the effect that, upon the release of the ODN Tay IV Project Company from all ODN Tay IV Existing Project Finance Obligations, all Liens (as defined in the "Description of Notes") on the ODN Tay IV Existing Project Finance Collateral (as defined in the "Description of Notes") will be fully released or assigned to the Collateral Agent. The remaining portion of the proceeds of the new notes will be used for the general corporate purposes of the ODN Tay IV Project Company (which may include making distributions or loans to the Operator or any of its affiliates) and will be released upon delivery to the Collateral Agent of certain certificates and legal opinions of counsel to the Issuer to the effect that the ODN Tay IV Project Company has been released from the ODN Tay IV Existing Project Finance Obligations and that the Secured Parties (as defined in the "Description of Notes") have the benefit of an effective first priority Lien over the Collateral (as defined in the "Description of Notes"). See "Description of Notes—Accounts—Issuer's Accounts—Note Proceeds Account." The only assets of the Issuer are and will continue to be the promissory notes evidencing the intercompany loans owed to it by the Project Companies, or the intercompany notes, and its only indebtedness is and will continue to be its obligations under the initial notes and the new notes.

The Project Companies

The Project Companies are Austrian limited liability companies and indirect subsidiaries of the Operator, established, respectively, on June 16, 2010 in the case of the Norbe VI Project Company, December 18, 2008 in the case of the ODN Project Company and October 11, 2010 in the case of the ODN Tay IV Project Company. The Project Companies were formed solely for the purpose of financing, constructing, owning and chartering the Vessels. The Charter Agreements were entered into, in the case of the Norbe VI Drilling Rig, on September 15, 2006 between Petrobras and Constructora Odebrecht Uruguay S.A., or COU, assigned by COU to ODS, and later assigned to the Norbe VI Project Company, in the cases of the ODN I Drillship and the ODN II Drillship, on July 25, 2008 between Petrobras and Delba, and later assigned by Delba to the ODN Project Company and in the case of the ODN Tay IV Drilling Rig, on April 18, 2008 between Petrobras and Delba, and later assigned to the ODN Tay IV Project Company. The Norbe VI Charter Agreement has an initial seven-year term that commenced on July 14, 2011, the ODN I Charter Agreement and the ODN II Charter Agreement have ten-year terms that commenced on September 12, 2012 in the case of the ODN I Drillship and on August 28, 2012 in the case of the ODN II Drillship, and the ODN Tay IV Charter Agreement has a seven-year term that commenced on March 2, 2013. The Norbe VI Charter Agreement was originally scheduled to expire on July 11, 2018 but has been extended until March 27, 2019 as a result of a unilateral extension exercised by Petrobras pursuant to a provision in the Norbe VI Charter Agreement that allows for an unilateral extension by Petrobras of the term of the agreement as a result of certain instances of downtime, and is renewable for up to an additional seven years upon mutual agreement of the parties. See "Description of Principal Transaction Documents—Charter Agreements—Norbe VI Charter Agreement" and "Description of Principal Transaction Documents—Services Agreements—Norbe VI Services Agreement." The ODN I Charter Agreement and the ODN II Charter Agreement will expire on September 10, 2022 and August 26, 2022, respectively, and each is renewable for up to an additional ten years upon mutual agreement of the parties. The ODN Tay IV Charter Agreement will expire on February 29, 2020 and is renewable for up to an additional seven years upon mutual agreement of the parties. See "Description of Principal Transaction Documents—Charter Agreements."

The Project Companies' registered address is: Neulingasse 29/18, 1030 Wein, Austria.

The Project Companies' principal address is: Odebrecht Perfurações Ltda., 10 andar, Rua da Gloria, Rio de Janeiro, 20241-180, Brazil.

The Operator

Odebrecht Oil & Gas, in its capacity as the operator under the Services Agreements, is operating the Vessels off the coast of Brazil under services agreements with Petrobras with initial seven-year terms and optional extension each of up to seven additional years upon mutual agreement of the parties, in the case of the Drilling Rigs, and ten-year terms and an optional extension each of up to ten additional years upon mutual agreement of the parties, in the case of the Drillships. The Norbe VI Services Agreement was originally scheduled to expire on July 11, 2018 but

has been extended until March 27, 2019 as a result of a unilateral extension exercised by Petrobras. The ODN I Services Agreement and the ODN II Services Agreement will expire on September 10, 2022 and August 26, 2022, respectively. The ODN Tay IV Services Agreement will expire on February 29, 2020. The Operator is a leading Brazilian oilfield services company focused on providing integrated solutions to its clients in the exploration, development and production of offshore oil and gas fields. The Operator is part of the Odebrecht Group (as defined herein), which has been active as a general service provider for the oil and gas industry for nearly 60 years. The Operator's operations include the following services:

- **Offshore Drilling**. The Odebrecht Group has been operating in this segment since 1979. As of 2006, the Operator has been focused on deep- and ultra-deepwater drilling rig operations. Currently, the Operator operates seven ultra-deepwater rigs for Petrobras. Three of these rigs have been operating since the second half of 2011: the Norbe VI Drilling Rig, which began operating in July 2011; Norbe VIII, which began operating in August 2011 and Norbe IX, which began operating in November 2011. Three other rigs started operations in the second half of 2012: a semisubmersible drilling rig, or the ODN Delba III Drilling Rig, and the ODN II Drillship in August 2012 and the ODN I Drillship in September 2012. The last rig to begin operations was the ODN Tay IV Drilling Rig, which began operating in March 2013. All of these rigs are chartered to Petrobras under seven- to ten-year contracts. The Operator has also entered into a partnership with Sete Brasil S.A., or Sete Brasil, pursuant to which subsidiaries of Sete Brasil in which the Operator indirectly holds 15% of the shares are having five ultra-deepwater rigs constructed. These rigs will be built in Brazil, and the first of these is expected to start operations in 2016. All five of these rigs have been chartered to Petrobras for 15-year terms and they will be operated by the Operator pursuant to 15-year term services agreements. As of December 31, 2013, the total backlog to the Operator and its affiliated companies represented by these charter and services agreements amounted to approximately U.S.$9.1 billion. See "Presentation of Financial and Other Information—Calculation of Backlog."

- **Offshore Production Platforms**. The Operator charters and operates FPSOs and other oil and gas production facilities to its clients, in addition to managing the conversion of these units. FPSOs are a common deepwater production option in Brazil and use technology that major oil companies have expertise with and operating experience. The Operator, through its wholly-owned subsidiary Odebrecht Oil Services Limited, or OOSL, has a 50/50 joint venture partnership with Maersk Company Ltd., or Maersk, in the North Sea Production Company, or NSPC, for the operation of an FPSO. This NSPC joint venture has successfully operated this FPSO since 1997 and is currently contracted through 2020. The Operator also has a 50/50 joint venture partnership with Teekay Petrojarl Production AS, or Teekay, for the FPSO Cidade de Itajaí, or CDI, for the charter and operation of CDI. CDI began operations in February 2013 under a nine-year contract with Petrobras, with annual optional renewals by any party for up to six years. As of December 31, 2013, the total backlog to the Operator and its affiliated companies represented by these contracts amounted to approximately U.S.$433.3 million. See "Presentation of Financial and Other Information—Calculation of Backlog."

- **Maintenance and Modification Services**. The Operator engages in offshore maintenance and modification services for platforms. These services include engineering, fabrication, installation, commissioning, start-up, preventive and corrective maintenance, shutdown planning and execution and systems revamp. The Operator currently provides maintenance and modification services to Petrobras, through contracts to service certain of its production and drilling platforms in the Campos Basin; and to Shell Brasil Petróleo Ltda., or Shell, and Statoil/Maersk for two production platforms and one FPSO. As of December 31, 2013, the total backlog to the Operator represented by these contracts amounted to approximately U.S.$418.5 million. See "Presentation of Financial and Other Information—Calculation of Backlog."

- **Subsea**. The Operator is the first Brazilian company to invest in the subsea market. Its focus within the subsea area is on investments in pipe laying support vessels for long-term charter and construction and installation of rigid and flexible subsea pipelines. The Operator has been involved in three projects. The first project, entered into in November 2010 and concluded in January 2013 for a total amount of approximately U.S.$250 million, was an agreement to install, in partnership with Subsea 7 S.A. (formerly known as Acergy S.A.), or Subsea 7, a rigid pipeline for Petrobras's Sul Norte Capixaba Project. The second project is for the charter and operation of two flexible pipe laying support vessels, or PLSVs, under a 50/50 joint venture partnership with Technip S.A., or Technip. These two PLSVs are being built in South

Korea by Daewoo Shipbuilding Marine Engineer, or DSME, and are expected to start operations in October 2014 and April 2015. In 2013, the Operator was awarded a contract to operate a 270 ton, ultra-deep water (3,000m) DP3 PLSV for Petrobras in Brazil, for a period of one year. As of December 31, 2013, the total backlog to the Operator and its affiliated companies represented by these contracts amounted to approximately U.S.$524.9 million. See "Presentation of Financial and Other Information—Calculation of Backlog."

The Odebrecht Group

Founded in 1944, the Odebrecht group, or the Odebrecht Group, is one of Latin America's largest corporate groups, active across various industries, including engineering and construction, chemicals and petrochemicals, oil and gas services, ethanol and bioenergy, real estate development and construction, real estate investment and management, water, sewage and waste management, integrated defense systems, shipbuilding, energy investments, infrastructure investments and roads and logistics concessions. According to the latest available report from the *Valor Econômico* newspaper, as of 2012, the Odebrecht Group was Brazil's third-largest privately owned group, with ownership of a leading Latin American engineering and construction company with a presence in Africa. It owns Brazil's largest private water and sewage treatment company. It operates in the real-estate segment focused on low-income households and selective luxury developments. And it provides integrated services to the upstream oil and gas industry.

In the 1950s and 1960s, the Odebrecht Group constructed numerous refineries, terminals and pipelines. In the late 1970s, the Odebrecht Group started offshore drilling operations, and between 1979 and 2001, it operated 13 rigs, of which five were owned by the Odebrecht Group, and constructed offshore production platforms and was the first Brazilian private enterprise to drill offshore in Brazil. In the 1990s, the Odebrecht Group expanded its drilling operations to offshore deepwater, among others, in the Campos Basin and established a presence in oil production in the North Sea, owning and operating an FPSO jointly with Maersk. Today, the Odebrecht Group is focused on the integrated oilfield services industry through the Operator, which became a separate company in 2006, and is pursuing promising opportunities primarily in Brazil and Angola. For its excellence in quality, safety and environmental standards, the Operator has been awarded Petrobras's "Gold Award" multiple times.

The Odebrecht Group has developed a strong relationship with Petrobras over the past 60 years. Petrobras has been one of the most important clients of Construtora Norberto Odebrecht S.A., or CNO, the engineering and construction company of the Odebrecht Group. In the late 1970s, Odebrecht S.A. was the first Brazilian private enterprise to drill an oil field off the Brazilian coast, and thereafter, Petrobras became the primary client of its drilling business. The Odebrecht Group has more drilling rigs contracted to Petrobras than any other company or group. In addition, Petrobras holds a 36.2% equity interest in Braskem S.A., or Braskem, the petrochemical company of the Odebrecht Group, and has been the primary supplier of the main raw materials used by Braskem since its formation. The Operator is committed to maintaining the Odebrecht Group's strong relationship with Petrobras by continuing to provide high quality integrated oilfield services.

The Vessels

The Norbe VI Drilling Rig was engineered by Single Buoy Moorings, Inc., or SBM, and built by SBM at IMCC (International Management and Construction Corporation) in Abu Dhabi under a turnkey, fixed-price, lump-sum engineering, procurement, and construction contract. The Norbe VI Drilling Rig is a dynamically positioned SBM Gusto MSC TDS 2000 Plus semi-submersible drilling platform, which started operations in July 2011. The Norbe VI Drilling Rig is designed for drilling in ultra-deep water depths of up to 2,400 meters, with a total vertical drilling depth capacity of up to 7,500 meters. The Norbe VI Drilling Rig has a variable deck load of approximately 7,000 metric tons and measures 232 feet by 240 feet (main deck). The Norbe VI Drilling Rig has eight dynamically-positioned Wärtsilä thrusters to maintain the platform positioned at the same location even under severe weather conditions, and a world class blow-out preventer of 15,000 psi. The Norbe VI Drilling Rig is able to accommodate 140 people, has approximately 76 rotating crew members of the Operator and approximately 50 rotating employees and/or subcontractors of Petrobras and other third parties. For information about expected forthcoming upgrades to the Norbe VI Drilling Rig, see "Description of Principal Transaction Documents."

The ODN Tay IV Drilling Rig was converted into a semi-submersible drilling rig by Keppel Fels in 1999 in Singapore under an engineering, procurement, and construction contract. The ODN Tay IV Drilling Rig is a

dynamically positioned Friede & Goldman L-767C Enhanced Pacesetter ultra-deepwater semi-submersible drilling rig, which started operations in 2013. The ODN Tay IV Drilling Rig is designed for drilling in ultra-deep water depths of up to 2,400 meters, with a total vertical drilling depth capacity of up to 9,100 meters. The ODN Tay IV Drilling Rig has a variable deck load of approximately 5,500 metric tons and measures 339 feet by 228 feet (main deck). The ODN Tay IV Drilling Rig has eight dynamically-positioned thrusters (four Rolls Royce and four Wärtsilä) to maintain the platform positioned at the same location even under severe weather conditions, and a world class blow-out preventer of 15,000 psi. According to the applicable Independent Engineer Report, the ODN Tay IV Drilling Rig is able to accommodate 150 people. As of December 31, 2013, it had approximately 79 rotating crew members of the Operator and approximately 61 rotating employees and/or subcontractors of Petrobras and other third parties. For information about expected forthcoming upgrades to the ODN Tay IV Drilling Rig, see "Description of Principal Transaction Documents."

The ODN Tay IV Drilling Rig was purchased from STENA TAY (Hungary) KFT, or Stena Tay, in 2011, at which time it was operating in Nigeria for Total S.A., or Total. Prior to the sale to Odebrecht Oil and Gas, the ODN Tay IV Drilling Rig was moved to the Astican yard in Las Palmas, Gran Canaria, where it underwent an upgrade that was part of the conditions of sale, pursuant to which Stena Tay upgraded the rig to meet standards set forth by Petrobras' contracts and as detailed in a supplementary agreement, entered into on March 30, 2011, between Stena Tay and Odebrecht Oil & Gas.

The Drillships were engineered and built by DSME in South Korea under turnkey, fixed-price, lump-sum engineering, procurement, and construction contracts. The Drillships are dynamically positioned DSME 10,000 models, which started operations in 2012. The Drillships are designed for Petrobras's intended drilling in ultra-deep water depths of up to 3,000 meters, with a total vertical drilling depth capacity of up to 12,000 meters. Each Drillship's hull has a variable deck load of approximately 22,000 metric tons, measuring 780 feet long by 137 feet wide. The Drillships are each able to accommodate 180 people and have approximately 80 rotating crew members of the Operator and 55 rotating employees and/or subcontractors of Petrobras and other third parties. Some of the key features of each of the Drillships include simultaneous operations and stand builders with top drivers that allow the continuous pipe assembly, including a riser management system, six dynamically positioned Wärtsilä thrusters to maintain the platform positioned at the same location even under severe weather conditions, and a world class blow-out preventer of 15,000 psi. For information about expected forthcoming upgrades to the ODN Tay IV Drilling Rig, see "Description of Principal Transaction Documents."

	Norbe VI	ODN Tay IV	ODN I	ODN II
				
	Semi-submersible rig	Semi-submersible rig	Drillship	Drillship
Drilling Capacity *water depth*	2.400m	2.400m	3.000m	3.000m
Year Built / Upgraded	2010 (SBM)	2012 (Astican)	2012 (DSME)	2012 (DSME)
Current Contract	Petrobras (7 years)	Petrobras (7 years)	Petrobras (10 years)	Petrobras (10 years)
Operational Startup	Jul/2011*	Mar/2013	Sep/2012	Aug/2012

* The Petrobras Charter Agreement for the Norbe VI Drilling Rig has been extended by Petrobras for an additional 259 days.

Use of Proceeds

The following table provides a summary of the estimated uses of the proceeds of the new notes.

	Funds (1)	
	(U.S.$ millions)	(%)
New notes offered hereby	580.0	100
Expected uses		
Release of ODN Tay IV Project Company from the ODN Tay IV Existing Project Finance Obligations (2)	397.9	69
Funding of Offshore Sinking Fund Account	30.0	5
Underwriting fees and offering related expenses	12.0	2
General corporate purposes of the ODN Tay IV Project Company (3)	140.1	24
Total uses	580.0	100

(1) The sum of the figures in this column may not equal the total due to rounding.

(2) See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Summary of ODN Tay IV Existing Project Finance Obligations" for summaries of the ODN Tay IV Existing Project Finance Obligations.

(3) Funds used for general corporate purposes of the ODN Tay IV Project Company may be used to make distributions or loans to the Operator or any of its affiliates.

The Charter Agreements and Services Agreements

In 2006, Petrobras and COU entered into the Norbe VI Charter Agreement, which was assigned by COU to the Norbe VI Project Company in 2012. In 2008 Petrobras and Delba entered into the ODN I Charter Agreement and the ODN II Charter Agreement, referred to collectively as the Drillship Charter Agreements. The Drillship Charter Agreements were assigned by Delba to the ODN Project Company in 2010. In 2008 Petrobras and Delba entered into the ODN Tay IV Charter Agreement, which was assigned to the ODN Tay IV Project Company in December 2011. The term of the Norbe VI Charter Agreement commenced on July 14, 2011—the date of acceptance by Petrobras—and will expire on March 27, 2019. The Norbe VI Charter Agreement includes an option to extend its term for up to an additional seven years by mutual agreement of the parties. In addition, pursuant to the terms of the Norbe VI Charter Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation. Each Drillship Charter Agreement has a ten-year term, which commenced on the date of the applicable Drillship acceptance by Petrobras, September 12, 2012 for the ODN I Drillship and August 28, 2012 for the ODN II Drillship, and which will expire on September 10, 2022 for the ODN I Drillship and on August 26, 2022 for the ODN II Drillship. Each Drillship Charter Agreement includes an option to extend its term for up to an additional ten years by mutual agreement of the parties. In addition, pursuant to the terms of the Drillships Charter Agreements, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation. The ODN Tay IV Charter Agreement has a seven-year term, which commenced on March 2, 2013 – the date of acceptance by Petrobras – and will expire on February 29, 2020. The ODN Tay IV Charter Agreement includes an option to extend its term for up to an additional seven years by mutual agreement of the parties. In addition, pursuant to the terms of the ODN Tay IV Charter Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation. Payments to the Project Companies under the Charter Agreements for the terms of such agreements are based on the availability of the Vessels and the period during which they are utilized, at an original rate of U.S.$179,880 per day for the Norbe VI Drilling Rig (currently U.S.$192,472 per day), an original rate of U.S.$328,500 per day for each of the ODN I Drillship and the ODN II Drillship (currently U.S.$331,785) and an original rate of U.S.$315,000 per day for the ODN Tay IV Drilling Rig (currently U.S.$340,200 per day). These payments are required to be made monthly and are calculated by multiplying the day rate for each Vessel by its availability expressed as the percentage of days of availability during the applicable period. The day rate for the Norbe VI Charter Agreement will be adjusted by 100% of the accumulated U.S. Consumer Price Index, or CPI, every four years. The day rate for each Drillship Charter Agreement will be adjusted by 20% of the CPI after the first four years and every two years thereafter. The day rate for the ODN Tay IV Charter

Agreement will be adjusted by 100% of the CPI every four years. See "Description of Principal Transaction Documents—Charter Agreements." Each Charter Agreement may be terminated by Petrobras for, among other reasons, (1) failure of the relevant Project Company to meet the performance criteria specified in the applicable Charter Agreements and (2) an interruption in operations of the applicable Vessel for more than 60 days caused by the applicable Project Company. The Project Companies may terminate the Charter Agreements if Petrobras fails to pay any amount due under the Charter Agreements and such failure continues for more than 90 days. In addition, the Charter and the Services Agreements provide that Petrobras may, without the consent of the Project Companies or the Operator, assign such agreements to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

In 2006, Petrobras and CNO entered into the Norbe VI Services Agreement, which was assigned to the Operator in 2007. In 2008, Petrobras and Delba Serviços entered into the ODN I Services Agreement and the ODN II Services Agreement, which are collectively referred to as the Drillship Services Agreements, which were assigned by Delba Serviços to ODN I Perfurações in 2010 and to the Operator in 2012. In 2008, Petrobras and Delba Serviços entered into the ODN Tay IV Services Agreement, which was assigned by Delba Serviços to the Operator in December 2011. The Operator operates the Vessels for Petrobras, which includes the provision of domestic and foreign labor, supervision, equipment, materials and supplies for the maintenance and operation of the Vessels by the Operator and its affiliates. Payments to the Operator under the Services Agreements for the initial seven- and ten-year terms of such agreements are based on the availability of the Vessels and the period during which the Vessels are utilized, at an original rate of R$268,669 per day for the Norbe VI Drilling Rig (currently R$335,970 per day), an original rate of R$62,189 per day for each of the ODN I Drillship and the ODN II Drillship (currently R$77,462 per day) and an original rate of R$63,378 per day for the ODN Tay IV Drilling Rig (currently R$82,245 per day). These payments are required to be made monthly and are calculated by multiplying the day rate for each Vessel by the availability of such Vessel expressed as a percentage of the number of days of availability in the applicable period. The day rate under each Services Agreement is adjusted annually according to a formula, as amended in 2012, based on a basket of indices, 50% of which is composed of the Brazilian National Consumer Price Index (*Índice Nacional de Preços ao Consumidor*), or INPC, 20% of which is composed of the Brazilian Wholesale Price Index (*Índice de Preços por Atacado, IPA-EP-Bens Finais-Bens de Investimento-Máquinas e Equipamentos, series code 1004812*), or the IPA, and 30% of which is composed of the fluctuation of the U.S. Dollar/*real* exchange rate during the applicable period. See "Description of Principal Transaction Documents—Services Agreements."

Pursuant to the Norbe VI Charter Agreement and the Norbe VI Services Agreement, Petrobras is required to pay a bonus fee to the Norbe VI Project Company and the Operator, respectively, of up to 15% of the day rate under the applicable Charter Agreement and Services Agreement, as the case may be, for any given time period when the Norbe VI Drilling Rig is at least 90.14% available to Petrobras. Pursuant to the ODN I and ODN II Charter Agreements and Services Agreements, Petrobras is required to pay a bonus fee of up to 10% of the day rate for a given time period when the Vessels are at least 93% available to Petrobras. Pursuant to the ODN Tay IV Charter Agreement and Services Agreement, Petrobras is required to pay a bonus fee of up to 15% of the day rate under the applicable Charter or Services Agreement when the ODN Tay IV Drilling Rig is at least 90.14% available to Petrobras. These bonus fees vary according to the percentage of availability of the applicable Vessels over a one-month period.

Cash Availability on the Final Maturity Date

Assuming the aggregate principal amount of the new notes will be U.S.$580 million, the final payment of principal due on the final maturity date of the notes, in addition to final regular installments of principal, includes a "balloon" payment equivalent to U.S.$908 million, which amount includes U.S.$676 million relating to the aggregate principal amount of the initial notes and U.S.$232 million relating to the new notes and may increase as a result of the issuance of Additional Notes, an extension of the final maturity date of any notes or a deferral of principal payments, in each case as permitted under the indenture.

Based on the terms of the indenture and certain assumptions including those noted below, the Guarantors are expected to have on the final maturity date of the notes amounts on deposit in certain reserve and other collateral accounts of approximately U.S.$454 million available for application to the payment of such balloon amount (assuming this amount will not have been increased as a result of the issuance of Additional Notes, an extension of the final maturity date of the new notes or a deferral of principal payments, in each case as permitted under the indenture) as follows:

(1) an amount equal to approximately U.S.$174 million is required under the indenture and the Guarantor Accounts Agreement to be available in the Guarantors' Offshore Debt Service Reserve Accounts on the final maturity date of the notes;

(2) an amount equal to approximately U.S.$71 million is required under the indenture and the Guarantor Accounts Agreement to be available in the Offshore O&M Service Reserve Accounts for application to debt service payment at the final maturity date of the notes; and

(3) an amount equal to approximately U.S.$212 million is expected to be available in the Offshore Retention Account for application to debt service payment at the final maturity date of the notes.

The availability of such amounts in the Offshore Debt Service Reserve Account, the Offshore Retention Account and the Offshore O&M Service Reserve Accounts at the final maturity date of the notes will depend on a number of assumptions, including:

(1) the payments to the Project Companies under the Charter Agreements and the payments to the Operator under the Services Agreements for the ten- and initial seven-year term of such agreements based on the availability of the Vessels and the initial period during which the Vessels are utilized, at unadjusted aggregate day rates of U.S.$328,500 and R$62,189 per day, respectively, for each Drillship, U.S.$179,880 and R$268,669 per day, respectively, for the Norbe VI Drilling Rig and U.S.$315,000 and R$63.378 per day, respectively, for the ODN Tay IV Drilling Rig;

(2) the Vessels operate with an average availability factor of 95%;

(3) the day rate for the Norbe VI Charter Agreement will be adjusted pursuant to the terms thereof by 100% of the CPI, every four years, the day rate for each Drillship Charter Agreement will be adjusted by 20% of the CPI after the first four years and every two years thereafter and the day rate for the ODN Tay IV Charter Agreement will be adjusted pursuant to the terms thereof by 100% of the CPI, every four years, beginning in October 2017. See "Description of Principal Transaction Documents—Charter Agreements";

(4) the day rate under each Services Agreement will be adjusted annually according to a formula, as amended in 2012, based on a basket of indices, 50% of which is composed of the INPC, 20% of which is composed of the IPA, and 30% of which is composed of the fluctuation of the U.S. Dollar/*real* exchange rate during the applicable period. See "Description of Principal Transaction Documents—Services Agreements";

(5) the Project Companies will receive an average bonus fee of 9% in the case of the Norbe VI Drilling Rig, 5% in the case of the ODN I Drillship and the ODN II Drillship and 7.5% in the case of the ODN Tay IV Drilling Rig;

(6) the Norbe VI Charter Agreement and the Norbe VI Services Agreement will be renewed at day rates of U.S.$271,979 and R$476,446, respectively (or at a combined total day rate of approximately U.S.$500,000) on or before March, 2019;

(7) the ODN Tay IV Charter Agreement and the Tay IV Services Agreement will be renewed at day rates of U.S.$428,082 and R$117,807, respectively (or at a combined total day rate of approximately U.S.$500,000) on or before March 2020, assuming no cancellation of the Charter and Services Agreements by Petrobras in year six (see "Description of Principal Transaction Documents—Charter Agreements—ODN Tay IV Charter Agreement");

(8) the operating expenses payable by the Project Companies will be capped pursuant to the terms of the Guarantor Accounts Agreements, and the Operator or one or more of its affiliates will be responsible for the payment of any operating expenses in respect of the Vessels in excess of such capped amount; and

(9) no extended period of force majeure or other uninsured event will materially decrease the amounts payable under the Charter Agreements to the Project Companies and under the Services Agreements to the Operator.

According to the 2013 Valuation Reports, accounting for projected inflation the Norbe VI Drilling Rig is estimated to be valued at U.S.$546.4 million at the end of the originally contracted charter period in 2018, U.S.$545.1 million at the end of the extended charter period in 2019 and at U.S.$537.8 million in 2022 (which

figures are the same under both cost-approach and income-approach valuations, in each case based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of April 1, 2013 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). According to the 2013 Valuation Reports, the ODN I Drillship and the ODN II Drillship, at the end of the initial charter period in 2022, are estimated to each be valued at U.S.$774.4 million using an income approach methodology and at U.S.$797.7 million using a cost approach methodology (in each case based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of March 31, 2013 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). According to the Noble Denton Valuation Report, the ODN Tay IV Drilling Rig is estimated to be valued at U.S.$310.1 million and U.S.$641.7 million in 2022, under the cost-approach and income-approach valuations, respectively (in each case based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of January 6, 2013 – See "Presentation of Financial and Other Information—Independent Consultant Reports").

Based on this information and assuming that (1) the market for drillships and drilling rigs on the final maturity date of the new notes will not be materially depressed relative to current levels (after adjustments for any inflation and deflation) and (2) the market value of the Vessels will not be adversely affected by extended periods of *force majeure* or other events of loss which are uninsured or for which insurance coverage is otherwise not adequate to cover the entire loss, it is estimated that Collateral consisting of the Vessels with an aggregate market value of at least U.S.$2.7 billion will be available at the final maturity date of the new notes (A) to secure any refinancing of all outstanding amounts under the new notes or (B) to be foreclosed by the Collateral Agent in order to satisfy any outstanding Obligations.

The actual ability of the Issuer to refinance outstanding Obligations prior to the final maturity date of the notes will depend on the factors above as well as among other things, the aggregate market value of the Vessels, the status of the Charter Agreements and Services Agreements (or any replacement charter agreements and services agreements) and the availability of financing on or before the final maturity date of the new notes. See "Risk Factors—Risks Relating to the New Notes and the Note Guarantees—There can be no assurance that the Issuer or the Guarantors will be able to refinance the notes or have sufficient cash available for debt service at the final maturity date of new notes to make the "balloon" payments, which are currently scheduled to be an amount equal to 40% of the aggregate principal amount of the initial notes and the new notes on their respective issue date (which may increase as a result of the issuance of Additional Notes, an extension of the final maturity date of any of the notes or deferrals of principal payments, in each case as permitted under the indenture), which may cause the Issuer to request the extension of the scheduled maturity date of any of the notes."

Market Conditions in the Brazilian Oil and Gas Sector

According to the BP Statistical Review of World Energy 2013, Brazil's oil and natural gas reserves were among the fastest growing from 2000 to 2012. According to BP, oil reserves in Brazil have grown from 2.8 billion barrels in 1989 to 15.3 billion barrels in 2012. Over the same period, natural gas reserves in Brazil grew from 114.3 billion cubic meters to 452.3 billion cubic meters according to BP. At the end of 2012, 2.5% and 0.5% of the world's oil and natural gas production, respectively, was produced in Brazil.

The Campos Basin, in which the ODN I Drillship, Norbe VI Drilling Rig and the ODN Tay IV Drilling Rig operate under their respective charter agreements, covers approximately 100,000 km^2 (24.7 million acres) and is currently the most prolific oil and gas basin in Brazil as measured by proved hydrocarbon reserves and annual production. Since exploration of this basin began in 1976, approximately 55 hydrocarbon accumulations have been discovered. The Campos Basin accounts for nearly 83% of Brazil's oil production.

The Santos Basin, in which the ODN II Drillship operates under its charter agreement, covers an area of approximately 350,000 square kilometers, 150,000 square kilometers of which (43%) is found under water depths of less than 400 meters, while the remaining 200,000 square kilometers (57%) are found at water depths ranging from 400 to 3,000 meters. The Santos Basin is expected to contribute significantly to increased oil and gas production in Brazil over the next five to eight years. The Santos Basin has significant volumes of light oil and natural gas accumulation in pre-salt reservoirs and a success rate over 90%. The Lula discovery (formerly called the "Tupi discovery") in 2006, located off the coast of Rio de Janeiro, and part of the pre-salt layer, is considered the largest oil discovery in the Western Hemisphere during the last 30 years. In October 2012, Petrobras announced that Lula

has a potential production of nearly 100,000 boed. The reservoir is located under 2,000 meters of water and a further 5,000 meters below sand, rocks and additional salt.

In recent years, offshore exploration efforts in Brazil have been focused on pre-salt reserves (located in a region stretching from the Campos to the Santos Basins, totaling approximately 149,000 km²). Petrobras participates in concessions covering approximately 24.4% (36,358.1 km^2 or 9 million acres) of the total pre-salt areas. Approximately 4.7% (6,961.7 km^2 or 1.7 million acres) of the pre-salt areas is under concession to other oil companies. The remaining 70.9% (105,680.2 km^2 or 26.1 million acres) of the pre-salt region is not yet under concession .

Recent discoveries in Brazil's pre-salt layer (typically offshore in waters over 2,000 meters deep) are expected to significantly increase Brazil's proved reserves and production in the coming years. Petrobras recently announced that, on February 20, 2013, the production of pre-salt oil in the Campos and Santos Basins had reached 300,000 barrels per day. This landmark was achieved in just seven years after the first pre-salt discovery was made. The monthly average production in February 2013 was 288,900 barrels per day, which represented a 120% growth over the previous 12 months.

Currently Petrobras has 66 mid-, deep- and ultra-deepwater drilling rigs contracted and operating in the exploration and development of Petrobras's offshore oilfields. In July 2011, Petrobras awarded Sete Brasil seven contracts for ultra-deepwater drillships to be built in Brazil. In February 2012, Petrobras announced it had awarded Sete Brasil 21 additional contracts for 15 ultra-deepwater drillships and six ultra-deepwater submersible rigs also to be built in Brazil. These 28 rigs are expected to be delivered between 2015 and 2020.

Project Strengths

Strong Sponsorship

The project is sponsored by the Operator, a subsidiary of Odebrecht S.A. Founded in 1944, the Odebrecht Group acts in the areas of engineering and construction, petrochemicals, sugar and ethanol, real estate, water and sewage, energy and infrastructure, transportation and logistics, oil and gas exploration and production, or E&P, and drilling and oil services, among others. The Odebrecht Group has more than 192,000 employees in South America, Central America and the Caribbean, North America, Africa, the Middle East and Europe. The U.S. magazine Engineering News-Record ranked CNO, the Odebrecht Group's engineering and construction company, as Latin America's top engineering and construction company and one of the world's 30 largest service exporters in 2012 in terms of total construction contracting revenues. In addition to engineering, E&P and construction experience, the Odebrecht Group has an existing relationship with Petrobras that dates back to 1953, when the Odebrecht Group won a bid to construct the Catu-Candeias oil pipeline. In 2011, the Operator began operating a fleet of ultra-deepwater drilling rigs for Petrobras. As of the date of this offering circular, this fleet consists of seven ultra-deepwater drilling rigs and an FPSO, which FPSO is owned and operated through a joint venture with Teekay. An additional FPSO, not chartered to Petrobras, is owned and operated in the North Sea through a joint venture with Maersk.

Strong Charter Counterparty

The Vessels have been chartered to Petrobras under ten- and initial seven-year charter agreements with optional extensions upon mutual agreement of the parties. Petrobras has been active in the energy sector for over 60 years. Based on Petrobras public data, of December 31, 2013, Petrobras had proved oil and gas reserves of 15,729 mmboe in Brazil as measured by the criteria of the Society of Petroleum Engineers. Petrobras has been active in the energy sector for nearly 60 years and over the past four decades has gradually increased its production from 164 mbbl/d of crude oil, condensate and natural gas liquids in Brazil in 1970 to 1,928 mbbl/d as of November 2013. Petrobras is currently rated Baa1 by Moody's with a negative outlook, BBB by Fitch with a stable outlook and BBB by S&P with a negative outlook. A rating is not a recommendation to purchase, hold or sell any securities and is based on information currently available to the respective rating agencies. These ratings may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information.

Petrobras' 2013-2017 business plan estimates total capital expenditures (including pre-salt and post-salt) for this five-year period of approximately U.S.$236.7 billion, of which 62% are in oil and gas exploration and production.

Valuable and Mobile Assets

The Norbe VI Drilling Rig is a state-of-the-art, 5th generation, dynamically positioned semi-submersible drilling platform with SBM Gusto MSC TDS 2000 Plus technology. The SBM rig is a deepwater rig capable of operating in all ice-free parts of the world. The Norbe VI Drilling Rig is designed to drill wells down to approximately 7,500 meters from the mud line and operate year round in water depths of up to 2,400 meters. As set forth in the applicable 2013 Valuation Report (which has not been updated since its date of preparation), as of April 1, 2013, the fair market value of the Norbe VI Drilling Rig (free of contract commitments and liens) was estimated to be approximately U.S.$545.2 million using a cost approach valuation, and estimated to be approximately U.S$738.3 million using an income approach valuation that takes into account the effects of the current charter through its original expiration date of July 11, 2018 (in each case based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of April 1, 2013 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). At the end of the initial seven-year Charter Agreement with Petrobras (originally scheduled in 2018), the fair market value of the Norbe VI Drilling Rig (free of contract commitments and liens), not taking into account inflation was estimated to be approximately U.S.$471.3 million (based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of April 1, 2013 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). In addition, the fair market value of the Norbe VI Drilling Rig at the end of the initial seven-year Norbe VI Charter Agreement with Petrobras (originally scheduled in 2018), taking into account projected inflation was estimated to be U.S$546.4 million (based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of April 1, 2013 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). The latter two figures are the same whether a cost-approach valuation or an income-approach valuation is used.

The Drillships are state-of-the-art, latest (6th) generation, dynamically positioned drillships with DSME 10000 technology. The DSME 10000 drillship is a deepwater drillship capable of operating in all ice-free parts of the world. Each Drillship is designed to drill wells down to approximately 10,000 meters from the mud line and operate year round in water depths of up to 3,000 meters. As set forth in the applicable 2013 Valuation Reports (which have not been updated since their respective date of preparation), as of March 31, 2013, the fair market value of each of the ODN I Drillship and the ODN II Drillship (free of contract commitments and liens) was estimated to be approximately U.S.$778.4 million, using a cost approach valuation. Using an income approach valuation that takes into account the effects of the current charters through their initial expiration dates of September 9, 2022 and August 25, 2022, respectively, the fair market value of the ODN I Drillship was estimated to be approximately U.S.$947.5 million and the ODN II Drillship was estimated to be approximately U.S.$943.8 million (in each case based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of March 31, 2013 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). At the end of the ten-year Charter Agreements with Petrobras in 2022, the fair market value of each Drillship (free of contract commitments and liens), not taking into account inflation was estimated to be approximately U.S.$593.5 million (based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of March 31, 2013 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). Accounting for projected inflation, the value of each Drillship at the expiration of its charter was estimated to be approximately U.S.$797.7 million using a cost approach valuation and approximately U.S.$774.4 million using an income approach valuation.

The ODN Tay IV Drilling Rig was converted into a semi-submersible drilling rig by Keppel Fels in 1999 in Singapore. The ODN Tay IV Drilling Rig is a dynamically positioned Friede & Goldman L-767C Enhanced Pacesetter ultra-deepwater semi-submersible drilling platform. The Friede & Goldman L-767C Enhanced Pacesetter rig is a deepwater rig capable of operating in all ice-free parts of the world. The ODN Tay Drilling Rig is designed to drill wells down to approximately 9,100 meters from the mud line and operate year round in water depths of up to 2,400 meters. As set forth in the Noble Denton Valuation Report, Noble Denton estimates that the fair market value of the ODN Tay IV Drilling Rig (free of contract commitments and liens) as of 2022 will be approximately U.S.$310.1 million using a cost approach valuation, and approximately U.S$641.7 million using an income approach valuation that takes into account the effects of the current charter and its subsequent renewals through December 2022 (in each case based on the assumptions set forth in such report and according to calculations made and considering charter cashflows as of January 6, 2014 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). At the end of the seven-year Charter Agreement with Petrobras in 2020, Noble Denton estimates that the fair market value of the ODN Tay IV Drilling Rig (free of contract commitments and

liens), not taking into account inflation will be approximately U.S.$304.0 million (according to calculations made and considering charter cashflows as of January 6, 2014 – See "Presentation of Financial and Other Information—Independent Consultant Reports"). Both of these figures are the same whether a cost-approach valuation or an income-approach valuation is used.

Recent Events

On February 5, 2014, this offering was authorized at a shareholders' meeting of ODN Holding GmbH and ODN Tay IV Holding GmbH, the respective holding companies of the ODN Project Company and the ODN Tay IV Project Company, with Odebrecht Oil & Gas causing its indirect equity interests in each holding company to vote in favor of the offering, with 60.0% and 68.5%, respectively, of the voting rights in each holding company, with Delba GmbH causing its direct equity interests in each holding company to vote against this offering, representing the remaining voting interest in each holding company. In accordance with the terms of the respective Quotaholders' Agreement and the by-laws of each holding company and in the opinion of Austrian counsel to each of the holding companies, this offering was authorized with majority shareholder vote, granting each holding company authority to authorize the offering for each of the ODN Project Company and the ODN Tay IV Project Company.

THE OFFERING

The Issuer	Odebrecht Offshore Drilling Finance Limited
The Project Companies/Guarantors	ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH
The Offering	The new notes are being offered only to (1) "qualified institutional buyers," or QIBs, in reliance on Rule 144A under the Securities Act and (2) persons (other than U.S. persons) outside the United States pursuant to Regulation S under the Securities Act and, in the case of persons in the European Economic Area, in accordance with the Prospectus Directive. See "Plan of Distribution." The new notes are to be issued pursuant to a supplemental indenture to be dated on or prior to the closing date.
Senior Secured Notes	U.S.$580,000,000 million aggregate principal amount of 6.625% Senior Secured Notes due 2022.
Final Maturity Date	October 1, 2022
Amortization	See "Description of Notes—Basic Terms of New Notes."
Deferral of Principal Payment	The Issuer will, under certain circumstances described in the supplemental indenture, be entitled to a one-time deferral of its obligation to pay all or a portion of principal on the new notes due on any Quarterly Payment Date (as defined in the indenture) and, at its discretion, on the next succeeding Quarterly Payment Date, which amount shall be due on the second Quarterly Payment Date occurring thereafter. See "Description of Notes—Basic Terms of New Notes—Deferral of Principal Payment."
Interest	Interest on the new notes will accrue from the date of issuance until the final maturity date of the new notes, at the rate of 6.625% per annum, payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing on June 1, 2014, with the last interest payment due on the final maturity date of the new notes. The Issuer will pay interest on overdue principal and overdue interest at 2.0% per annum higher than the per annum rate that will be set forth on the cover of this offering circular. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.
Note Guarantees	The Project Companies will, jointly and severally, unconditionally and irrevocably guarantee all of the Issuer's obligations under the new notes.

Ranking.....	The new notes will rank senior in right of payment to all of the Issuer's future subordinated obligations and equal in right of payment with all its existing and future unsubordinated obligations, in each case, to the extent permitted under the indenture. The Note Guarantees will rank senior in right of payment to all of the Guarantors' future subordinated obligations and equal in right of payment with all of the Guarantors' existing and future unsubordinated obligations, in each case, to the extent permitted under the indenture.
Optional Redemption.....	The Issuer may redeem the new notes, in whole but not in part, at 100% of their principal amount plus accrued interest and additional amounts, if any, upon the occurrence of specified events relating to tax laws in the Cayman Islands, Austria, and certain other jurisdictions. The Issuer may also at its option redeem the new notes, in whole or in part, at a "make-whole" redemption price equal to (1) 100% of the principal amount of the new notes being redeemed plus (2) the present value at such redemption date of all required interest payments on such new notes through their final maturity date (excluding accrued but unpaid interest to the redemption date), plus accrued and unpaid interest and additional amounts, if any, on such new notes to, but excluding, the redemption date. In addition, on any Quarterly Payment Date (as defined in the indenture) occurring after September 28, 2021, the Issuer may redeem the new notes, in whole or in part, at 100% of the principal amount of the new notes plus accrued and unpaid interest and additional amounts, if any. See "Description of Notes—Optional Redemption."
Mandatory Redemption	If (1) the ODN Tay IV Project Company is not released from the ODN Tay IV Existing Project Finance Obligations on or prior to the ODN Tay IV Note Proceeds Account Threshold Date (as defined in the supplemental indenture) or (2) all funds on deposit in the Note Proceeds Account from the offering of the new notes are not released on or prior to the ODN Tay IV Note Proceeds Account Threshold Date, the Issuer shall be obligated to redeem the maximum principal amount of new notes, together with accrued and unpaid interest, that may be redeemed with the funds then held on deposit in the Note Proceeds Account, at a redemption price equal to 100% of the principal amount of the new notes to be redeemed. See "Description of Notes—Mandatory Redemption."
Change of Control Offer.....	If a Change of Control (as defined in the indenture) that results in a Rating Decline (as defined in the indenture) occurs, the Issuer will be required to offer to purchase all of the new notes at 101% of the principal amount thereof, together with accrued and unpaid interest, if any. See "Description of Notes–Repurchase of Notes upon a Change of Control."

Excess Disposition Offer	Upon a Disposition (as defined in the indenture), the Issuer will be required to offer to use any Excess Disposition Proceeds (as defined in the indenture) to purchase the new notes at 100% of the principal amount thereof, together with accrued and unpaid interest, if any. See "Description of Notes—Repurchase of Notes upon a Disposition."
Excess Loss Offer	Upon the occurrence of an Event of Loss (as defined in the indenture), the Issuer will be required to offer to use any Excess Loss Proceeds (as defined in the indenture) to purchase the new notes at 100% of the principal amount thereof, together with accrued and unpaid interest, if any. See "Description of Notes—Repurchase of Notes upon an Event of Loss."
Ratings	The new notes are expected to be rated "Baa3" by Moody's, "BBB" by S&P and "BBB" by Fitch. These ratings are not a recommendation to purchase, hold or sell any securities, and they do not comment as to market price or suitability for a particular investor. These ratings are based upon current information furnished to Moody's, S&P and Fitch by us and information obtained by Moody's, S&P and Fitch from other sources. These ratings may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information.
Collateral	Pursuant to the indenture and the Security Documents (which govern the issuance of the new notes and the rights and remedies available to the Trustee, the Collateral Agent and the holders of notes with respect to the Collateral), the new notes, together with the initial notes, will be secured by first priority liens on substantially all of the Issuer's and the Project Companies' assets (other than the Equity Interests in, and the assets of, ODS, a subsidiary of Odebrecht Drilling Norbe Six GmbH), including, without limitation: • collateral assignments of the Charter Agreements and Services Agreements; • assignments of insurance proceeds as appropriate; • a mortgage of each Vessel; and • security interest in certain accounts of the Issuer and the Guarantors. The new notes, together with the initial notes, will also be secured by a collateral assignment of the Operator's receivable rights under the Services Agreements, a security interest in certain accounts of the Operator and a charge over 100% of the equity interests in the Issuer and the Project Companies.

Account Structure	The following cash collateral accounts of the Issuer have been created pursuant to the Issuer Accounts Agreement: • Note Proceeds Account; • Note Debt Service Account; and • Note Prepayment Account. The following individual cash collateral accounts of each Guarantor have been and will be created pursuant to the Guarantor Accounts Agreement: • the Offshore Proceeds Account; • the Offshore O&M Service Reserve Account; • the Offshore Loss Proceeds and Compensation Account; • the Offshore Disposition Proceeds Account; • the Norbe VI Offshore Penalty Reserve Account (which shall be held solely by Odebrecht Drilling Norbe Six GmbH); and • the Offshore Distribution Holding Account. The following joint cash collateral accounts of the Guarantors have been and will be created pursuant to the Guarantor Accounts Agreement: • the Offshore Debt Service Reserve Account; • the Offshore Charter Termination Account; • the Offshore Retention Account; and • the Offshore Sinking Fund Account. In addition, a cash collateral account of the Operator to be named Onshore Proceed and Services Account has been created pursuant to the Guarantor Accounts Agreement. See "Description of Notes—Accounts."
Additional Notes	The indenture governing the notes does not limit the aggregate principal amount of the notes that may be issued thereunder and provides that Additional Notes may be issued from time to time in one or more series, provided that if the Additional Notes are not fungible with earlier notes for U.S. federal income tax purposes, the Additional Notes will have a separate CUSIP, which is the case of the new notes, and, subject to satisfaction of certain conditions including, in addition to the delivery of certain certificates and reports from independent advisers, the following items

(defined terms used herein will have the meanings given to such terms under "Description of Notes"):

- all applicable Guarantor Collateral Accounts of the Original Guarantors and the owner of the applicable Eligible Asset (and any other Additional Guarantor that became a Guarantor in connection with the issuance of Additional Notes occurring prior to the relevant issuance of Additional Notes) are funded to the level of any required balances;

- the Issuer, the Additional Guarantor and their applicable Affiliates shall enter into additional security documents and make all necessary filings so that the Eligible Asset and certain related equipment and the Equity Interests in the Additional Guarantor are subject to first priority Liens in favor of the Collateral Agent, for the benefit of the Secured Parties, as collateral for all of the obligations of the Issuer under the Additional Notes, in each case subject only to existing Liens and certain Permitted Liens;

- the Original Guarantors and the Additional Guarantor (together with any other Additional Guarantor that became a Guarantor in connection with the issuance of Additional Notes occurring prior to the relevant issuance of Additional Notes) jointly and severally guarantee the payment and performance of all the Issuer's obligations under the Additional Notes;

- the Additional Guarantor establishes and maintains collateral accounts and other unencumbered accounts on substantially the same terms as the accounts that are maintained by each Original Guarantor (and any other Additional Guarantor that becomes a Guarantor in connection with the issuance of Additional Notes occurring prior to the relevant issuance of Additional Notes) pursuant to the terms of the Guarantor Accounts Agreement, and all collateral accounts held by the Additional Guarantor shall be subject to first priority Liens in favor of the Collateral Agent, for the benefit of the Secured Parties;

- no Default or Event of Default has occurred and is continuing or will occur as a result of or immediately after the issuance of the Additional Notes; and

	• delivery of written evidence that each Rating Agency then-having issued long-term debt ratings for the Additional Notes, has affirmed that the long-term debt ratings assigned to the Additional Notes by such Rating Agency will not be lower than the higher of (i) the long-term debt rating assigned to the Additional Notes by such Rating Agency immediately before giving effect to the issuance of the applicable Additional Notes and (ii) an Investment Grade Rating, in each case, after giving effect to the issuance of the applicable Additional Notes and certain related matters. The final maturity of any Additional New Series Notes (as defined in the Description of Notes) shall be not earlier than the final maturity date of the initial notes and the amortization schedule and average life to maturity of such Additional New Series Notes shall be at least as long as the amortization schedule and average life to maturity of the initial notes. The new notes will be Additional New Series Notes. All of the above-described conditions will be complied with in connection with the issuance of the new notes. For additional information about Additional Notes, see "Description of Notes—Additional Notes."
Governing Law	The new notes, the indenture, the supplemental indenture and certain other transaction documents are or will be, as applicable, governed by the laws of the State of New York. The mortgages of the Drillships are governed by the laws of The Commonwealth of the Bahamas. The mortgage and amendment to the mortgage of the Norbe VI Drilling Rig is and will be, respectively, governed by the laws of The Republic of Panama. The mortgage of the ODN Tay IV Drilling Rig will be governed by the laws of the Marshall Islands. The Charter Agreements, the Services Agreements, the Undertaking Agreement and the amendments thereto and certain other transaction documents related to pledges and other security interests in certain property, including related consents and agreements, are and will be governed by the laws of Brazil. The Issuer Share Pledge Agreements are and will be, as applicable, governed by the laws of the Cayman Islands. The ODN I Share Pledge Agreement, ODN Six Share Pledge Agreement and the ODN Tay IV Share Pledge Agreement and any amendments thereto are and will be, as applicable, governed by the laws of Austria. The Note Guarantees, the Issuer Offshore Security Agreements, the Guarantor Offshore Security Agreements, the Guarantor Accounts Agreement and any amendments thereto and certain other transaction documents are and will be, as applicable, governed by the laws of England.

Form and Registration of Senior Secured Notes.....	Delivery of the new notes will be made in book-entry form only, through the facilities of DTC, on or about the date set forth on the cover page of this offering circular, against payment therefor in immediately available funds. New notes sold in reliance on Rule 144A will be represented by a single permanent global note in definitive, fully registered form deposited with the Trustee as custodian for, and registered in the name of, a nominee of DTC. New notes sold in offshore transactions in reliance on Regulation S under the Securities Act will be represented by a single, permanent global note in definitive, fully registered form deposited with the Trustee as custodian for, and registered in the name of a nominee of, DTC. See "Description of Notes."
Certain Tax Considerations	See "Taxation" in this offering circular.
Transfer Restrictions.....	The new notes have not been and will not be registered under the Securities Act and are subject to certain restrictions on transfer. See "Transfer Restrictions."
Trustee, Registrar, Transfer Agent and Paying Agent	HSBC Bank USA, N.A.
Collateral Agent.....	HSBC Bank USA, N.A. (acting as Collateral Trustee in respect of the ODN Tay IV Mortgage)
Luxembourg Listing Agent, Luxembourg Transfer Agent and Luxembourg Paying Agent	Banque Internationale à Luxembourg S.A.
No Public Market for the Notes.....	The new notes are a new issue of securities. We have applied to admit the new notes to listing on the Official List of the Luxembourg Stock Exchange and to trade on the Euro MTF market of that exchange.
Risk Factors	You should carefully consider all of the information contained in this offering circular prior to investing in the new notes. In particular, we urge you to carefully consider the information set forth under "Risk Factors" for a discussion of risks and uncertainties relating to the Issuer, the Vessels and an investment in the new notes.

SUMMARY FINANCIAL DATA

The Project Companies' summary financial data denominated in U.S. dollars presented in the tables below are derived from the Project Companies' combined audited financial statements as of December 31, 2013 and for the year then ended (which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011) and related notes thereto, all of which are prepared in accordance with IFRS and included elsewhere in this offering circular. The information herein should be read in conjunction with the Project Companies' combined financial statements and related notes included elsewhere in this offering circular, as well as the information under "Presentation of Financial and Other Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Combined Statements of Income

	Year Ended December 31,		
	2013	2012	2011
	(in U.S.$ thousands)		
Revenue	432,398	216,149	57,188
Costs of services rendered	(216,737)	(103,877)	(5,340)
Operating profit	215,661	112,272	51,848
Finance income	—	—	14
Finance costs	(123,008)	(43,933)	(12,181)
Profit for the year	92,653	68,339	39,681

Combined Balance Sheets

	As of December 31,		
	2013	2012	2011
	(in U.S.$ thousands)		
Current assets			
Cash and cash equivalents	34,200	85,467	40,178
Short-term investments	6,564	7,928	—
Accounts receivable	49,849	25,385	4,679
Related parties	25,131	—	—
Claim receivable	19,168	—	—
Prepaid expenses	115	1,501	—
Other assets	312	180	—
Total current assets	135,339	120,461	44,857
Non-current assets			
Other assets	7,001	—	—
Equipment	2,633,710	2,557,449	1,647,431
Total non-current assets	2,640,711	2,557,449	1,647,431
Total assets	2,776,050	2,697,910	1,692,288

	As of December 31,		
	2013	2012	2011
	(in U.S.$ thousands)		
Liabilities and shareholders' equity			
Current liabilities			
Financings	108,446	201,689	88,346
Related parties	107,708	—	—
Contractual obligations	68,918	—	—
Accounts payable	6,265	17,922	7,101
Other liabilities	—	905	—
Total current liabilities	291,337	220,516	95,447
Non-current liabilities			
Financings	1,825,171	1,652,707	1,119,930
Accounts payable	—	9,730	—
Total non-current liabilities	1,825,171	1,622,437	1,119,930
Equity			
Capital (made up of common shares)	122	122	169,195
Additional paid-in capital	834,536	776,185	268,035
Retained earnings (accumulated losses)	(175,116)	38,650	39,681
Total equity	659,542	814,957	476,911
Total liabilities and equity	2,776,050	2,697,910	1,692,288

Balance Sheet of the Issuer

	As of December 31, 2013
	(in U.S.$ thousands)
Assets	1,677,960,646.21
Current assets	4,626,792.46
Long-term assets	1,673,333,853.75
Liabilities	1,677,960,646.21
Curent liabilities	85,135,643.21
Loans and financing	80,508,853.75
Long-term liabilities	1,592,825,000.00
Equity	3.00

RISK FACTORS

You should carefully consider the risks and uncertainties described below and the other information contained in this offering circular before making any investment in the new notes. The risks described below are not the only ones the Issuer, the Project Companies and the Operator, as applicable, face. The Project Companies' business, financial position or results of operations may be adversely and materially affected by any of these risks and, as a result, the market price of the new notes could decline and/or you could lose all or part of your investment. Additional risks that are not currently known to the Issuer, the Project Companies or the Operator, or which the Issuer, the Project Companies and the Operator currently consider to be immaterial, may also adversely and materially affect the business of the Project Companies. In addition, any risks that may cause a material adverse effect on the business financial condition, results of operations, prospects and cash flows of Petrobras, the Project Companies' charter counterparty, may consequently have a material adverse effect on the Project Companies' business. These risks include, but are not limited to, the risk of insufficient resources and financing to develop Petrobras's pre-salt reservoirs, operational risks in connection with deep- and ultra-deepwater exploration and production and the regulatory model for the oil and gas industry in Brazil. For additional risk factors relating to Petrobras, please refer to Petrobras's disclosure in its annual report filed with the SEC on April 29, 2013, which disclosure and annual report are not incorporated by reference in this offering circular.

Risks Relating to the Project Companies' Business and Industry

A single client accounts for all of the Project Companies' revenues during the term of the Charter Agreements, and the loss of this client or any dispute with this client would materially adversely affect the Project Companies' financial condition and results of operations.

The Project Companies derive all of their revenues from Petrobras during the terms of the Charter Agreements. The financial condition and results of operations of the Project Companies will be materially adversely affected if Petrobras interrupts or curtails its activities, fails to pay for the services that have been performed or terminates or defaults on any or all of the Charter Agreements. Any material non-payment or non-performance by Petrobras would materially and adversely affect the Project Companies' business, financial condition, results of operations, prospects and cash flows, which in turn would impair the Project Companies' ability to pay, when due, the principal of and interest on the intercompany notes and any amount payable under the Notes Guarantees.

Petrobras is highly regulated as a government controlled entity and operates in a highly regulated industry, including regarding matters relating to exploration and production interests, the imposition of specific drilling and exploration obligations, restrictions on production, price controls, taxation, mandatory divestments of assets and foreign currency controls. In addition, Petrobras is highly dependent on oil and gas prices for the profitability of its business. Historically, the markets for oil and natural gas have been volatile and will likely continue to be volatile in the future. The prices that Petrobras will receive for its oil and gas production and the levels of its production depend on numerous factors beyond its control. Government regulations or price volatility could have a material adverse impact on Petrobras's business and its ability to meet its obligations under the Charter Agreements and Services Agreements.

The loss of Petrobras as a client or any default by Petrobras under any of the Charter Agreements would materially adversely affect the Project Companies' business, financial condition and results of operations and their abilities to make payments under the Note Guarantees and consequently, the ability of the Issuer to meet its payment obligations under the new notes.

The business that the Project Companies are engaged in involves numerous operating hazards, and the insurance of the Operator and its affiliates may not be adequate to cover all of the Vessels' losses and may not be renewed on favorable terms and for reasonable prices.

The operations of the Project Companies are subject to hazards inherent to drilling activities and operation of oil and gas wells, such as: fires; explosions; pressures and irregularities in formations; blow-outs and surface cratering; uncontrollable flows of underground gas, oil and formation water; natural events and natural disasters, such as loop currents, hurricanes and other adverse weather conditions; equipment availability; pipe or cement failures; casing collapses; lost or damaged oilfield drilling and service tools; abnormally pressured formations; and environmental hazards, such as gas leaks, oil spills (with resulting containment and clean-up costs), pipeline ruptures and discharges of toxic gases. The occurrence of these events could result in the suspension of drilling or production

operations, claims by Petrobras or the Operator, severe damage to, or destruction of, the Vessels, injury or death to the Vessels' personnel and environmental damage. For example, the fall of the blow-out preventer of the Norbe VI Drilling Rig caused the suspension of its operations from December 2011 through March 2012.

According to the Insurance Advisor Reports, the Operator and its affiliates currently have the following insurance in place for the operation of the Vessels: hull and machinery, increased value, accelerated cost of replacement and war risks (aggregate sum insured is U.S.$2.9 billion for the four Vessels), and business interruption (with a policy limit equal to the current day rate for each of the four Vessels for up to 180 days). The 2013 package policy (excluding protection and indemnity and comprehensive general liability insurance) was placed from May 24, 2013 until the next renewal date, which is scheduled to be May 24, 2014 and is expected to be renewed periodically thereafter. The Operator and its affiliates have also contracted protection and indemnity and comprehensive general liability insurance for the four Vessels with a limit of U.S.$325.0 million for each of the Vessels. The current protection and indemnity and comprehensive general liability policy became effective on February 20, 2014 and is expected to be renewed periodically thereafter. See "Business—Insurance Policies and Coverage." There can be no assurance, however, that such insurance will continue to be available to the Operator and its affiliates during the term of the new notes on favorable terms, at reasonable prices or at all, or that the amounts of such insurance will be sufficient to cover the related losses, including after taking into account loss deductibles on such insurance or that insurers will not dispute their obligations under the policies for the applicable loss.

In addition, the renewal or future endorsements of the insurance policies relating to the Vessels must meet certain minimal criteria pursuant to the indenture. See "Description of Notes—Certain Covenants—Insurance." At the time of any renewal of the insurance of the Vessels, the coverage and premiums available to the Project Companies may differ substantially from coverage and premiums on the existing policies. The availability and rates of insurance relating to the Vessels may depend on a number of factors, including, without limitation:

- the occurrence and severity of offshore drilling accidents, whether or not involving the Project Companies;
- the overall size of the insured pool of offshore drilling equipment in Brazil; and
- government regulation of offshore drilling.

Accidents involving the marine operations and the drilling activities of the Vessels may subject the Operator and the Project Companies to civil, property, environmental and other damage claims, including by Petrobras, federal, state or municipal governmental entities in Brazil, and third parties.

The Vessels are subject to risks particular to marine operations, including capsizing, grounding, collision and loss from severe weather and storms, which may result in significant damage to the Vessels, injury to their crew, loss of performance and revenues and governmental and third-party claims against the Project Companies and the Operator. In addition, the Vessels are subject to risks that are specific to the drilling of oil and gas wells, such as blow-outs, reservoir damage, loss of production, loss of well control, fires and adverse weather.

The occurrence of any accident could result in the prolonged suspension of operations, damage to or destruction of the Vessels and related equipment and injury to or death of the crew of the Vessels. The Project Companies and the Operator are also subject to personal injury and other claims by the crew of the Vessels as a result of both marine and drilling operations. Under the laws of Brazil, the Project Companies and the Operator may also be subject to civil, property, environmental and other damage claims by Petrobras, federal, state or municipal governmental entities in Brazil, and third parties.

The Project Companies and the Operator maintain insurance against the various risks described above, though there can be no assurance that this insurance will provide adequate coverage for all potential losses that may arise as a result of the risks described above. The Charter Agreements and the Services Agreements provide (1) that the liability of the Project Companies for environmental claims is limited to U.S.$1.0 million for every occurrence of an oil spill, oil waste or other discharges into the sea and (2) that the Project Companies will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. However, to the extent any third party claims losses from the Project Companies in connection with any of the events mentioned in items (1) or (2) above, any reimbursement by Petrobras of amounts claimed from the Project Companies in excess of the liability limitations described above may be subject to dispute and delay. If the Project Companies' insurance coverage is not adequate, or if Petrobras fails to reimburse the Project Companies for any of these amounts on a timely basis or at all, our ability to make payments on the new notes or the Note Guarantees may be materially adversely affected.

Certain situations of operation stoppage may trigger a suspension or reduction of the day rate and materially adversely affect the financial condition and results of operations of the Project Companies.

Compensation under the Charter Agreements is based on daily performance by each Vessel in accordance with the requirements of the respective Charter Agreement. Compensation may be reduced in situations of total stoppage of operation attributable to bad weather or when the Operator is awaiting orders from Petrobras, during resting time for Petrobras workers or third-party workers acting at Petrobras' service, failure to comply with certain provisions of the Additional Settlement Agreement with Petrobras and in other circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. The wait rate is equivalent to 90% of the day rate. If any of the Vessels' operations and/or transportation must be interrupted in order to perform repairs, the Project Companies will not be entitled to payment of day rates until operations resume. This would result in a loss of revenue under the Charter Agreement, which could be material. For example, the fall of the blow-out preventer of the Norbe VI Drilling Rig caused the suspension of its operations from December 4, 2011 through March 29, 2012, which resulted in lost revenues of U.S.$41.0 million. Our business interruption insurance provided coverage for 56 of these days and the dry-docking allowance under the Charter Agreement covered 35 of these days. See "Business—Vessel Operations—Performance." In the event the Vessels are unable to operate due to *force majeure* situations, Petrobras payments are required to be as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments on and after the 61st day. If the interruption of operations under these circumstances were to exceed 30% of the available time during any six-month period, Petrobras may terminate the relevant Charter Agreement. The moving rate is equivalent to 90% of the day rate.

For more details on the day rates and the terms and conditions pursuant to which different rates apply, please see "Description of Principal Transaction Documents—Charter Agreements." A reduction or suspension of the charter payments or termination of any of the Charter Agreements due to the work stoppages or prolonged maintenance of repair described herein may have a material adverse effect on the Project Companies' financial condition and results of operations and their ability to make payments under the Note Guarantees, and consequently, the ability of the Issuer to meet its payment obligations under the new notes.

The Vessels have been chartered to Petrobras and, as such, termination of any of the Charter Agreements or Services Agreements by Petrobras would cause a material adverse effect on the results of operations and financial condition of the Project Companies.

The Project Companies are special purpose entities whose only material source of income is the revenue stream from Petrobras under the Charter Agreements. Petrobras is entitled to terminate the Charter Agreements in certain situations, including (among others):

- failure of the Project Companies to comply with its obligations under the Charter Agreements;
- suspension of the charter determined by competent authorities to have been caused by the Project Companies;
- bankruptcy of the Project Companies, a corporate amendment or change in their corporate purpose or structure which in Petrobras's opinion will impair the fulfillment of compliance with their obligations under the Charter Agreements;
- if the Vessels remain under repair over 30% of the time during any six-month period during the term of the Charter Agreements; or
- suspension of operations for more than sixty days, except in the event of *force majeure*.

The Services Agreement contains similar termination provisions with respect to the Operator and to the performance by it of its obligations thereunder, which may lead to the termination of the Charter or Services Agreements. In addition, the terms of the Norbe VI Charter Agreement and Services Agreement will expire on March 27, 2019, and the ODN Tay IV Charter Agreement and Services Agreement will expire on February 29, 2020 several years before the final maturity date of the new notes. Although such agreements provide for an option to extend their terms for up to an additional seven years, by mutual agreement of the parties, there is no assurance that

these agreements will be renewed and that the terms of such renewed agreements will be comparable to the terms of the original agreements.

Following a termination of any or all of the Charter Agreements, the Project Companies may not be able to re-charter the Vessels to a charter party that complies with the requirements of the indenture governing the notes or, if the Project Companies are able to do so, the revenues under any such replacement charter may be substantially lower than those payable by Petrobras under the Charter Agreements and the terms and conditions of any such replacement charter may not be as favorable to the relevant Project Company as the terms and conditions of the original Charter Agreement. Any such case could have a material adverse effect on the Issuer and the Project Companies, including their respective ability to make timely payments under the notes and the Note Guarantees.

The Operator is currently party to other services agreements with Petrobras, any of which could give rise to penalties that could be set off by Petrobras from payments due to it under the Charter and/or Services Agreements, which could cause a material adverse effect on the Issuer and the Project Companies.

Each of the Charter Agreements and the Services Agreements provides that Petrobras can set off from payments due from Petrobras to each Project Company or the Operator, under its respective Charter Agreement or Services Agreement, any amounts payable to Petrobras as penalties under the applicable agreement and other agreements entered into by Petrobras with the respective Project Company or the Operator, as the case may be. The ODN Project Company is party to two charter agreements with Petrobras and the Operator is currently party to other services agreements with Petrobras. Any of these other agreements could give rise to penalties that could be set off by Petrobras from payments due from it to each Project Company or the Operator under its respective Charter Agreement or Services Agreement. The Project Companies and the Operator were subject to penalties payable as a result of late delivery of their respective Vessels.

In January 2013, the ODN Project Company, the Operator and Petrobras entered into the Penalty Agreements to settle the fines payable to Petrobras under the Drillship Charter Agreements and the Drillship Services Agreements by means of a lump-sum partial payment made in January 2013 and a U.S.$4.9 million payment for each Drillship payable by the ODN Project Company in monthly installments of U.S.$570,000 for each Drillship, pursuant to the Drilling Charter Agreements. The lump sum payment made in January paid in full the amounts owed by the Operator to Petrobras under the Drillship Services Agreements. Petrobras agreed to offset the remaining amounts, payable by the ODN Project Company pursuant to the Drillship Charter Agreements, against the implementation by the Project Companies of certain upgrades in connection with the Additional Settlement Agreement described below.

Upon issuance of the initial notes, the Project Companies established the Norbe VI Offshore Penalty Reserve Account, into which certain of the proceeds from the initial notes offering were deposited in case funds from the Norbe VI Project Company would be required to pay these penalties. Subsequent to the issuance of the initial notes, the funds in the Norbe VI Offshore Penalty Reserve Account were released to the Project Companies in connection with the Additional Settlement Agreement, as described below.

Pursuant to an additional settlement agreement with Petrobras entered into on November 29, 2013, or the Additional Settlement Agreement, the Operator and the Project Companies negotiated payment-in-kind in the form of upgrades and additional equipment to be added to each of the Vessels in exchange for the discharge of the penalties due under the Charter Agreements and the Services Agreements in respect of the Vessels. This payment-in-kind will be made in exchange for the discharge of a penalty due to Petrobras under the Norbe VI Charter Agreement and the Norbe VI Services Agreement in the total amount of U.S.$33.4 million, under the ODN Tay IV Charter Agreement and the ODN Tay IV Services Agreement in the total amount of U.S.$69.4 million, and under the ODN I Charter Agreement, the ODN I Services Agreement, the ODN II Charter Agreement and the ODN II Services Agreement in the total amount of U.S.$9.7 million.

Because the penalties for the ODN Tay IV Project Company are considerably higher than those of the other Project Companies, the ODN Tay IV Project Company has agreed that it will assume certain costs of the ODN Project Company's obligations under their settlement agreement in addition to the costs of its own upgrade obligations under the settlement agreement. In addition, one of our affiliates, which is the owner of another drilling unit operated by the Operator, has also agreed to fund certain required upgrades to the ODN I and ODN II Drillships and the Norbe VI Drilling Rig. See "Business—Late Delivery Penalties—The Intercompany Penalty Adjustments." The Operator has agreed to fund the required upgrades described above, or the Required Upgrades, pursuant to the Undertaking Agreement entered into among the Operator and the Trustee and Collateral Agent as described under

"Description of Principal Financing Documents—Undertaking Agreement." Revenues from the Project Companies will not be sufficient to cover their obligations under the new notes and to fund the Required Upgrades if the Operator or its affiliates do not provide funding for these Required Upgrades, which could have a material adverse effect on the business, financial condition and results of operation of the Project Companies and the ability of the Issuer to meet its payment obligations under the new notes.

As of the date of this offering circular we had no penalties outstanding under the Charter Agreements, the Services Agreements, and services agreements with Petrobras not in respect of the Vessels that are subject to potential set-off by Petrobras against payments under the Charter Agreements and the Services Agreements. Pursuant to the Undertaking Agreement, the Operator has agreed to cover the cost of any future penalty set-off by Petrobras against payments under the Charter Agreements. Any penalty set-off by Petrobras in respect of amounts payable under the Services Agreements or the Charter Agreements (in the case of the Charter Agreements, for which the Operator fails to cover such amount) could have a material adverse effect on the Issuer and the Project Companies, including their ability to make timely payments on the new notes or the Note Guarantees, respectively.

The Charter Agreements do not provide for a fixed termination payment for Petrobras's default, the occurrence of which may cause a material adverse effect on the Project Companies' results of operations.

The Charter Agreements do not provide for a fixed termination payment upon a default by Petrobras and compensation payable by Petrobras to each Project Company in such event will be determined in accordance with Brazilian law by Brazilian courts. The Charter Agreements limit the liability of each of the parties to only direct damages according to the Brazilian Civil Code, and expressly excludes loss of profits and indirect damages, with total losses capped at the aggregate contractual value of the Charter Agreements. The amount eventually awarded by Brazilian courts, if any, may not be sufficient to cover the outstanding value of the new notes, together with interest and other amounts payable by the Issuers to the note holders. In addition, any judicial proceedings in Brazil could be subject to a lengthy legal process and related delays resulting in increased legal and other costs. In the event of a default by Petrobras, the Project Companies' results of operations financial condition and ability to make payments under the intercompany notes and the Note Guarantees will suffer a material adverse effect and consequently, the ability of the Issuer to meet its payment obligations under the new notes would be materially adversely affected.

The future prospects of the Project Companies may be adversely affected by their inability to renew their existing Charter Agreements or successfully negotiate new charters.

The future prospects of the Project Companies will be primarily dependent on them maintaining a high utilization rate of the Vessels, among other factors. Prior to the expiration of the Charter Agreements, the Project Companies will either need to extend the Charter Agreements or obtain other charters for the Vessels on acceptable terms and at favorable day rates. In particular, the terms of the Norbe VI Charter Agreement and Norbe VI Services Agreement will expire on March 27, 2019 and the terms of the ODN Tay IV Charter Agreement and ODN Tay IV Services Agreement will expire on February 29, 2020, before the final maturity date of the new notes. If the Project Companies are not able to successfully meet these challenges, their prospects, business, financial condition and results of operations and their ability to make payments under the Note Guarantees, and consequently the ability of the Issuer to meet its payment obligations under the new notes, would be materially adversely affected.

Moreover, during any period when the Vessels are not under contract, the Project Companies may continue incurring operating expenses for the Vessels pending execution of a new charter contract. If the Vessels are not working because of adverse demand conditions, the Project Companies may incur unreimbursed expenses to mobilize the Vessel from that market to another market where the demand conditions are more favorable, which may materially adversely affect the Project Companies' prospects business, financial condition and results of operations, including their ability to make payments under the intercompany notes and Note Guarantees, and consequently, the ability of the Issuer to meet its payment obligations under the new notes.

Any assignment of the Charter Agreements and Services Agreements by Petrobras to a third party may cause a material adverse effect on the Project Companies.

The Charter Agreements and the Services Agreements provide that Petrobras may, without the consent of the Project Companies or the Operator, assign the Charter Agreements and the Services Agreements to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder. If Petrobras were to enter into any such assignment in which it does not expressly agree to be obligated to fulfill the payment obligations under the Charter Agreements or Services Agreements (as a principal obligor or joint and several obligor with the assignee), the Project Companies and the Operator would need to resort to Brazilian courts to either attempt to void such

assignment or attempt to seek recourse against Petrobras. There can be no assurance that the Brazilian courts would either void such assignment or permit such recourse against Petrobras, and therefore, any such assignment by Petrobras could have a material adverse effect on the Issuer and the applicable Project Company, including their ability to make timely payment on the new notes or the Note Guarantees, respectively.

If the lawsuits filed by Petrobras with respect to withholding taxes under charter agreements are decided against Petrobras, then Petrobras may be obligated to withhold certain income taxes from its payments under the Charter Agreements, which could result in the Project Companies receiving less than the agreed rate.

Pursuant to Brazilian law, remittances from Brazil for rentals, leases or charters of equipment by a Brazilian company in the performance of its activities are subject to withholding income tax, or IRRF, at the rate of 15% (or 25% if such remittances are made to a payee located in a "tax haven jurisdiction"). Pursuant to Law No. 9,481/97, however, remittances from Brazil in connection with the chartering of ships benefit from a zero percent IRRF rate. The day rate payable by Petrobras under the Charter Agreements is based on an assumption that the Drillships qualify as "ships" under Brazilian law and that, therefore, the zero percent IRRF rate will be applicable.

Brazilian tax authorities have taken the position that in order for a vessel to qualify as a "ship," the vessel must be capable of transporting persons or goods. Brazilian tax authorities have further argued that oil rigs, drillships and semi-submersible platforms do not qualify as "ships" and therefore cannot benefit from the zero percent IRRF rate. Recently, the Brazilian Taxpayers Administrative Council (*Câmara Superior de Recursos Fiscais*) confirmed this position in a decision issued by its Superior Chamber (*Câmara Superior de Recursos Fiscais*). Petrobras has filed several lawsuits to challenge such decision in relation to specific contracts. So far, no final and unappealable judicial decision has been issued by any competent court, and no clear trend can be identified from first instance decisions issued to date, which have been conflicting in terms of their assessment of the merits of the cases.

If the courts were to determine that the Drillships do not constitute "ships" under Brazilian tax law, an IRRF of 15% or 25% would be deductible by Petrobras from its payments to the Project Companies under the Charter Agreements. While the Charter Agreements provide that the day rates must be adjusted to reflect the creation of any new taxes or an increase in the rate of any applicable tax, there can be no assurance that Petrobras will agree to "gross-up" the payment for the amount of the IRRF tax. In addition, there can be no assurance that Petrobras will not attempt to deduct any IRRF tax due in respect of payments previously made under the Charter Agreements. In this respect, there can be no assurance that, in the event of a dispute with Petrobras regarding this matter, a Brazilian court would require Petrobras to "gross-up" the day rates under the Charter Agreement by the amount of any withholding income taxes. If such tax were imposed on payments under the Charter Agreements, collections available to make payments on the Note Guarantees and the new notes would be reduced by the amount of the tax so withheld, which could have a material adverse effect on the Issuer and the Project Companies, including their ability to make timely payments on the new notes or the Note Guarantees, respectively.

The Brazilian tax regime to which Project Companies are currently subject may change, be revoked or exclude these entities from future eligibility, which may have a material adverse effect on the Project Companies.

The results of operations of the Project Companies are directly affected by the special customs regime for the import and export of goods related to the oil and gas sector (*Regime Aduaneiro Especial de Exportação e Importação de bens destinados à exploração e à produção de petróleo e gás natural*), or the REPETRO, the Brazilian tax incentive program that allows the use of a special customs arrangement for the importation of goods and equipment for the term of any concession agreement if the goods or equipment are used for the research and development of petroleum and natural gas.

The REPETRO benefits certain equipment listed by the Brazilian Federal Revenue Office (*Receita Federal do Brasil*) and imported under a temporary admission regime, granting a full suspension of Brazilian federal import taxes. This suspension may be applied until December 31, 2020, when REPETRO is scheduled to expire. Moreover, Brazilian states may reduce the assessment basis of the Brazilian Tax on Goods and Services (*Imposto sobre Circulação de Mercadorias e Serviços*), or ICMS, a state value-added tax triggered by the import of assets under a temporary admission regime within REPETRO for use in oil and gas production facilities, resulting in a tax burden equivalent to 7.5% (on a non-cumulative basis) or 3% (on a cumulative basis). Brazilian states are also authorized to grant exemptions from ICMS or reduce the ICMS calculation basis resulting in a tax burden equivalent to 1.5% (on a cumulative basis) for application in oil exploration facilities.

Pursuant to an executive order (*ato declaratório*) issued on November 18, 2013, the REPETRO benefits were extended to us through the original termination date of each of the Charter Agreements. If the REPETRO benefits are not renewed prior to the original termination date of each Charter Agreement or at the time each of the Charter Agreements are renewed, as applicable, the Project Companies' business prospects, financial condition and results of operations, including their ability to make payments under the intercompany notes and the Notes Guarantee, and consequently, the ability of the Issuer to meet its payment obligations under the new notes could be materially adversely affected.

The Project Companies have entered or will enter into certain transactions with related parties, which may give rise to conflicts of interest.

The Operator in its capacity as operator under the Services Agreements, indirectly controls the Project Companies. The Operator currently conducts E&P operations that are separate from the business of the Project Companies. These operations may divert the time and attention of the Operator's executive officers who manage the business of the Project Companies. In addition, in connection with its operations, the Operator may enter into charter, services or other agreements with Petrobras, which may entitle Petrobras to offset amounts payable to the Project Companies under the Charter Agreements. See "—The Operator is currently party to other services agreements with Petrobras, any of which could give rise to penalties that could be set off by Petrobras from payments due to it under the Charter and/or Services Agreements, which could cause a material adverse effect on the Issuer and the Project Companies." Furthermore, upon termination of the Charter Agreements, the Operator is not obligated to present the Project Companies with potential drilling contracts and is not restricted from competing with the Project Companies for potential contracts for other offshore drilling units or other future assets it may construct or acquire that do not secure the new notes. Because the Project Companies are controlled by the Operator, the Project Companies will not be able to pursue or enter into any contract unless the Operator causes them to do so. These conflicts of interests may materially adversely affect our results of operations and the ability of the Issuer and the Project Companies to make payments under the new notes and the Note Guarantees, respectively.

Failure to employ a sufficient number of skilled workers or an increase in labor costs could hurt the operations of the Project Companies and the Operator.

Maintaining low turnover levels among the crew and key officers of the Vessels is an important factor in the ability to maintain the Vessels' level of uptime. The Project Companies and the Operator, along with Petrobras, require skilled personnel to operate and provide technical services to, and support for, the Vessels. Personnel are contracted at the Operator level. In periods of increasing activity in the oil and gas sector and generally in the economy and when the number of operating drillships and oil rigs in the area of the Project Companies' and the Operator's operation increases, either because of new construction, re-activation of idle drillships and oil rigs or the mobilization of additional drillships and oil rigs into the region, shortages of qualified personnel could arise, creating upward pressure on wages and difficulties in staffing. Greater activity in the oil and gas sector in Brazil and in the Brazilian economy generally has resulted in more drilling rigs operating in our area of operations. The introduction of additional drilling rigs and vessels in the Brazilian market will increase competition for qualified crew and other personnel, and the Vessels may lose personnel due to hiring from other vessel operators. Turnover among Vessel crew and officers may increase for reasons that are beyond the Operator's control. Shortages of qualified personnel to operate the Vessels or the inability of the Project Companies, the Operator or Petrobras to obtain and retain qualified personnel also could materially adversely affect the quality and timeliness of the work and the Vessels' operations, and consequently, the ability of the Operator and the Project Companies to fulfill their obligations under the Charter Agreements and Services Agreements.

We are exposed to potential labor strikes that could impact our results.

Though the exact proportion is difficult to determine, a portion of our workforce belongs to labor unions and work under collective bargaining or similar agreements, which are subject to periodic renegotiation, and all workers in Brazil have the right to strike and act collectively. We cannot assure you that we will not experience work stoppages in the future. Labor demands are commonplace in Brazil and unionized workers have interrupted operations in the past. Such organized labor action could adversely affect the business, financial condition and results of operations of the Project Companies, including its ability to make payments under the intercompany notes and Note Guarantees, and consequently, the ability of the Issuer to meet its payment obligations under the new notes.

The Project Companies' and Operator's failure to obtain, maintain or renew all necessary authorizations and certifications required for the operation of the Vessels, and changes in current licensing regimes may have a material adverse effect on their operations.

The operation of the Vessels requires several authorizations from Brazilian government agencies. Obtaining necessary authorizations and certifications can be a complex, time-consuming process, and the Project Companies and Operator cannot guarantee that they will be able to obtain all authorizations required for the operation of the Vessels in a timely manner or at all. The Project Companies' and Operator's failure to obtain or renew such required authorizations or any disputes in connection with previously-obtained authorizations, could result in the suspension or termination of the operation of any or all of the Vessels or the imposition of material fines, penalties or other liabilities that could have a material adverse effect on the Project Companies. In addition, Petrobras or any other charterer of a Vessel may require that the relevant Project Company and the Operator maintain certain quality and safety certifications, or meet certain quality and safety targets, during the term of a relevant charter. Failure to obtain and maintain these certifications or meet these targets may result in the early termination of the relevant Charter Agreement or failure to be granted future charters which could have a material adverse effect on the relevant Project Company's operations, including its ability to make payments under the intercompany notes and Note Guarantees, and consequently, the ability of the Issuer to meet its payment obligations under the new notes.

Complex and burdensome environmental laws and regulations may increase the operating costs of the Project Companies, and adversely affect the operation of the Vessels.

The operation of the Vessels is subject to environmental laws at the federal, state and local levels controlling the discharge of pollutants into the environment. Compliance with such laws, regulations and standards may require installation of costly equipment, increased manning or operating changes. Violation of these laws, regulations and standards may result in administrative, civil and criminal penalties, fines, imposition of remedial obligations, the suspension or interruption of the Project Companies' operations, the loss or restriction of tax benefits and prohibitions or restrictions on participation in charter bids sponsored by government-controlled entities, among other sanctions. As environmental laws impose joint and strict liability for remediation of spills and releases of oil and hazardous substances, the Project Companies could be subject to liability even if they were not negligent or at fault. These laws and regulations may expose the Project Companies to liability for the conduct of, or conditions caused by, others, including charterers or third-party agents. Moreover, pursuant to Brazilian environmental laws and regulations, the corporate veil of a company may be pierced to ensure that sufficient financial resources are available for parties seeking recovery for damages caused to the environment. There is no statute of limitation for the recovery of environmental damages, and indemnification rights are available in the cases where damages cannot be repaired.

To the extent that the Project Companies are subject to environmental liabilities, the payment of such liabilities or the costs that the Project Companies may incur to remedy environmental pollution would reduce funds otherwise available to the Project Companies and could have a material adverse effect on their operation, including their ability to make payments under the intercompany notes and Note Guarantees, and consequently, the ability of the Issuer to meet its payment obligations under the new notes. Changes in the application or the creation of new laws, regulations and technical requirements may impose increased costs on the operation of the business of the Project Companies or the Operator, or otherwise impact the Project Companies' or Operator's results of operations or future prospects.

New technology and/or products may cause the Project Companies to become less competitive.

The offshore contract drilling industry is subject to the introduction of new drilling techniques and services using new technologies, some of which may be subject to patent protection. As competitors and others use or develop new technologies, the Project Companies may be placed at a competitive disadvantage, particularly upon termination of the Charter Agreements. Further, the Project Companies may face competitive pressure to implement or acquire certain new technologies at a substantial cost. We cannot be certain that the Project Companies will be able to implement new technology or products on a timely basis or at an acceptable cost. Thus, the Project Companies' ability to effectively use and implement new and emerging technology may have a material and adverse effect on their business, financial condition and results of operations, including their ability to make payments under the intercompany notes and Note Guarantees, and consequently, the ability of the Issuer to meet its payment obligations under the new notes.

Operational and maintenance risks to which the Vessels are subject from time to time may increase above anticipated levels.

According to the Independent Engineer Reports prepared by Okeanos, vessels of the same type as the Vessels are estimated to have an economic useful life of 25 years. In the case of the ODN Tay IV Drilling Rig, the residual fatigue life of the Vessel is 20 years even though it was built in 1999, in part due to the investments by the Operator in maintenance and enhancement of the Vessel before the commencement of the ODN Tay IV Drilling Rig's operations. For more information on the estimated operating life of the Vessels, see "Appendix C—Independent Engineer Reports." The Norbe VI Drilling Rig, the Drillships and the ODN Tay IV Drilling Rig have been providing services for Petrobras under the Operator's operation in Brazilian waters since 2011, 2012 and 2013, respectively. The actual remaining economic life of each of the Vessels will depend on many factors, however, some of which are beyond our control and the control of the Project Companies and the Operator. The remaining economic life of each of the Vessel may be materially adversely affected by improper maintenance, unknown structural defects and accidents, or an accelerated corrosion rate of the hull, among other causes, and the service lives of the Vessels could be less than the anticipated tenor of the new notes. If any of the Vessels does not remain in service through the maturity date of the new notes, it could materially and adversely affect the ability of the Project Companies to make payments under the Note Guarantees, and consequently the Issuer's ability to meet its payment obligations under the new notes. Operation and maintenance expenses may increase above anticipated levels of expenditure and significant capital expenditure may be required, particularly as the Vessels approach the end of their service lives. The Vessels are constantly exposed to technical and structural risks, with unforeseen operational problems that may result in unexpectedly high operating costs and reduced earnings.

Each of the Project Companies has agreed to a dry-dock and maintenance schedule for the relevant Vessel that it believes to be adequate to maintain the relevant Vessel in good operating condition for the duration of the relevant Charter Agreement. It is anticipated that each Vessel will need to go into dry-dock in accordance with the applicable schedule, and as such, the relevant Project Company will receive reduced compensation during dry-dock periods in respect of such Vessel. The delays caused by these times in dry-dock and any other scheduled or reasonably anticipated major maintenance of any of the Vessels could result in a loss of revenue under the Charter Agreement in respect of such Vessel. The timing and costs of such repairs with respect to each Vessel may substantially exceed anticipated periods and expenses. Any such event could have a material adverse effect on the Issuer's ability to make timely payments of amounts due on the new notes.

A substantial or extended decline in expenditures by oil and gas companies due to a decline or volatility in oil and gas prices may reduce long-term demand for the Vessels and adversely affect the Project Companies' ability to successfully negotiate the renewal terms of the current contracts over the long-term or enter into new contracts in case of early termination of the current contracts.

The Charter Agreements and Services Agreements are long-term contracts, subject to renewal upon our and Petrobras's consent. As such, the long-term profitability of the operations of the Project Companies and their ability to successfully negotiate the renewal terms of the Charter Agreements and Services Agreements depend upon long-term conditions in the oil and gas industry and, specifically, the level of exploration, development and production activity by oil and gas companies. Oil and gas prices and market expectations regarding potential changes in these prices significantly affect this level of activity. Oil and gas are commodities and, therefore, their prices are subject to wide fluctuations in response to changes in supply and demand. Historically, the markets for oil and gas have been volatile. According to Bloomberg, oil prices have ranged from record high levels in July 2008 of approximately U.S.$145 per barrel to record low levels of approximately U.S.$31 per barrel in December 2008, with similar volatility in gas prices between 2008 and 2009. According to Bloomberg, oil prices have since recovered and stabilized around U.S.$100 per barrel between 2009 and 2013, while gas prices have experienced a downward trend, oscillating between U.S.$40 and U.S.$60 since 2011. These markets will likely continue to be volatile in the future. The price that oil and gas producers receive for their production and the levels of their production depend on numerous factors beyond their control, including but not limited to:

- additional outbreaks of armed hostilities or other crises in the Middle East and other oil- and gas-producing regions;

- political and economic conditions, including embargoes and wars, in Brazil and other oil-producing countries or affecting other oil-producing activity;

- the demand for oil and gas, including reduced demand as a result of the ongoing global financial and credit crisis;
- inclement weather;
- the cost of exploring for, developing, producing and delivering oil and gas;
- the level of global E&P activity and the inventory levels; the policies of the Brazilian and other governments regarding exploration and development of their oil and gas reserves;
- the availability and discovery rate of new oil and natural gas reserves in offshore areas;
- expectations regarding future energy prices;
- advances in exploration, development and production technology;
- the actions of the Organization of the Petroleum Exporting Countries (OPEC);
- the level of production in non-OPEC countries;
- tax and royalty policies; and
- the development and availability of alternative fuels.

Any prolonged reduction in oil and gas prices may reduce the levels of exploration, development and production activity. Moreover, even during periods of high commodity prices, our customers may cancel or curtail their drilling programs, or reduce their levels of capital expenditures for E&P for a variety of reasons, including their lack of success in exploration efforts. If these or other factors reduce the level of exploration, production and development of oil and gas, it would become more difficult for the Project Companies to renew the Charter Agreements and Services Agreements or enter into contracts with different companies at the end of the terms of the Charter Agreements and the Services Agreements or in the event they are early terminated, which could materially adversely affect the Project Companies, including their ability to make payments under the Note Guarantees, and consequently the ability of the Issuer to make payments under the new notes.

The offshore drilling industry is highly competitive and cyclical, with threats from intense price competition and oversupply of drilling equipment.

The offshore drilling industry is highly competitive with numerous industry participants. Drilling contracts are generally awarded on a competitive bid basis. Intense price competition is often the primary factor in the bidding process, although safety record, competency, rig availability and location are also considered in determining which qualified contractor is awarded a contract. Demand for contract drilling and related services is influenced by a number of factors, including current and projected prices of oil and gas and expenditures of oil and gas companies for exploration and development activities. In addition, demand for drilling services remains dependent on a variety of political and economic factors beyond our control. We believe that the market for drilling contracts will continue to be highly competitive for the foreseeable future. Certain of the competitors of the Project Companies in the drilling industry may have more diverse fleets, and may have greater financial resources than we do, which may better enable them to withstand periods of low utilization, compete more effectively on the basis of price, build new rigs or acquire existing rigs.

Our competition ranges from international companies, such as Transocean Ltd., Diamond Offshore Drilling Inc., Noble Corporation, Seadrill Limited, Ensco International Incorporated, to Brazilian- owned companies, such as Schahin Engenharia S.A., or Schahin, Queiroz Galvão Óleo e Gás S.A., or Queiroz Galvão, and Petroserv S.A., or Petroserv.

Additionally, the offshore drilling business is subject to cyclical variations. In particular, the offshore service industry has been highly cyclical, with periods of high demand, limited rig supply and high day rates, often followed by periods of low demand, excess rig supply and low day rates. Periods of low demand and excess rig supply intensify the competition in the industry and often result in rigs, particularly lower specification rigs, being idle for long periods of time. The Project Companies may be required to enter into lower day rate charter contracts in response to market conditions. Prolonged periods of low utilization and reduced day-rates could result in the Project

Companies having to recognize impairment charges on the Vessels if future cash flow estimates, based upon information available to our management at any time, indicates that the carrying value of these Vessels may not be fully recoverable. If the Project Companies are unable to compete successfully for future drilling contracts or adequately manage the cyclical nature of our business, it would have a material adverse effect the Project Companies' results of operations, including their ability to make payments under the Note Guarantees, and consequently, the ability of the Issuer to meet its payment obligations under the new notes.

Risks Relating to Brazil

The Brazilian government has exercised, and continues to exercise, significant influence over the Brazilian economy. This influence, as well as Brazilian political and economic conditions, could have a material adverse effect on the Project Companies, the Issuer, the Operator and Petrobras.

The Brazilian government frequently intervenes in the Brazilian economy and occasionally makes significant changes in policies and regulations. The Brazilian government's actions to control inflation and other regulations and policies have in the past involved, among other measures, increases in interest rates, changes in tax policies, price controls, currency devaluations, capital controls, limits on imports and other actions. The Project Companies have no control over, and cannot predict, the measures or policies that the Brazilian government may adopt in the future. The Project Companies may experience a material adverse effect due to changes in public policies at the federal, state and municipal levels, related to taxes, currency exchange control, as well as other factors such as:

- expansion or contraction of the Brazilian economy, as measured by the variation of Brazil's gross domestic product, or GDP;
- interest rates;
- exchange controls and restrictions on remittances abroad;
- currency devaluations and fluctuations in exchange rates;
- inflation rates;
- liquidity of domestic capital and financial markets;
- fiscal policy and tax regime;
- social and political instability;
- energy shortages; and
- other diplomatic, political, social and economic developments in or affecting Brazil.

In addition, changes in a presidential administration following the elections scheduled for October 2014 may result in changes in government policy that adversely affect the Project Companies. Uncertainty over whether the Brazilian government will implement changes in policy or regulation affecting these or other factors in the future may contribute to economic uncertainty in Brazil and to heightened volatility in the Brazilian securities markets and in the securities issued abroad by Brazilian issuers. The President of Brazil has considerable power to determine governmental policies and actions that relate to the Brazilian economy and that could consequently materially adversely affect the Project Companies' financial condition and results of operations. The policies that may be implemented by President Rousseff and by the Brazilian federal or state governments could have a material adverse effect on the Project Companies, the Issuer, the Operator and Petrobras, and on the market price of the new notes.

Inflation and the Brazilian government's efforts to curb inflation may significantly contribute to economic uncertainty in Brazil, and may materially adversely affect the activities of the Project Companies and the Operator.

Brazil has historically experienced extremely high rates of inflation. Inflation, and several measures taken by the Federal Government in order to control it, combined with speculation about possible government measures, had significant negative effects on the Brazilian economy. Historically, the annual inflation rates recorded in Brazil before 1995 were extremely high, and included periods of hyperinflation. The annual rate of inflation measured by

the price index known as the IPCA (*Índice Nacional de Preços ao Consumidor Amplo*) was 4.31% in 2009, 5.91% in 2010, 6.50% in 2011, 5.84% in 2012 and 5.91% in 2013. Considering this history, Brazil could again suffer high rates because there is no guarantee that the Brazilian government will continue to adopt such measures to control inflation in the future.

Inflation, government measures to curb inflation and speculation related to possible measures regarding inflation may also significantly contribute to uncertainty regarding the Brazilian economy and weaken investors' confidence in Brazil, thus adversely affecting the Project Companies' ability to gain access to financing sources, including the international capital markets. Future Brazilian governmental actions, including interest rate decreases, intervention in the foreign exchange market and actions to adjust or fix the value of the *real*, may trigger increases in inflation and adversely affect the performance of the Brazilian economy as a whole. If Brazil experiences high inflation in the future, the Operator may not offset the effects of inflation on its cost structure, which could have a material adverse effect on the Operator's financial condition and results of operations and its ability to comply with its obligations under the Project Documents and Financing Documents to which it is a party.

Political, economic and social developments and the perception of risk in other countries, especially emerging market countries, may adversely affect the market value of Brazilian securities, including the new notes.

The market for securities issued by Brazilian companies is influenced, to varying degrees, by economic and market conditions in other emerging market countries, especially other Latin American countries. Although economic conditions are different in each country, the reaction of investors to developments in one country may cause the capital markets in other countries to fluctuate. Adverse economic conditions in other emerging market countries have at times resulted in significant outflows of funds from Brazil including, for example, in economic crises in Southeast Asia, Russia and Argentina. The Brazilian economy also is affected by international economic and market conditions generally, especially developments in the United States. These factors could materially adversely affect the Project Companies.

Risks Relating to the New Notes and the Note Guarantees

There can be no assurance that the Issuer or the Guarantors will be able to refinance the initial notes or the new notes or have sufficient cash available for debt service at the final maturity date of the new notes to make the "balloon" payment in respect of any of the new notes or the initial notes, which is currently estimated to be an amount equal to 40% of the aggregate principal amount of each of the initial notes and the new notes on their respective issue date (which may increase as a result of the issuance of Additional Notes, an extension of the final maturity date of any of the notes or a deferral of principal payments in respect of any of the notes permitted under the indenture).

The final payment of principal due on the final maturity date of the notes (in addition to final regular installments of principal) is estimated to be an amount equal to 40% of the aggregate principal amount of the initial notes and the new notes on their respective issue date (or U.S.$2,270 million). This amount may be increased as a result of the issuance of Additional Notes permitted pursuant to the indenture governing the notes, any extension of the final maturity date of any of the notes or a deferral of principal payments in respect of any of the notes permitted under the indenture. There can be no assurance that the Issuer or the Guarantors will be able to refinance the outstanding Obligations prior to maturity or have sufficient cash available for debt service at the final maturity date of the notes to make this "balloon" payment.

Under Panamanian law, an increase in the "balloon" payment as a result of the issuance of Additional Notes or an extension of the final maturity date of the notes would require the registration of an amendment to the mortgage in respect of the Norbe VI Drilling Rig to reflect an increase of the amount of the obligations secured by the mortgage. If such amendment to the mortgage in respect of the Norbe VI Drilling Rig is not registered, the collateral in respect of the increased amount and/or extension of the maturity date may be set aside by a judge upon foreclosure on the mortgage.

Under Marshall Islands law, an increase in the "balloon" payment as a result of the issuance of Additional Notes or an extension of the final maturity date of the notes would require the registration of an amendment to the mortgage in respect of the ODN Tay IV Drilling Rig to reflect an increase of the amount of the obligations secured by the mortgage. If such amendment to the mortgage in respect of the Norbe VI Drilling Rig is not registered, the collateral in respect of the increased amount and/or extension of the maturity date may be set aside by a judge upon foreclosure on the mortgage.

The ability of the Issuer to refinance outstanding Obligations prior to the final maturity date of the notes will depend, among other things, on the value of the Collateral at the time, the terms and conditions of the Charter Agreements and Services Agreements (or any replacement charter agreements and services agreements) and the availability of financing at the time. With respect to the value of the Collateral, investors should note that the valuations of the Vessels set forth in the Independent Consultant Reports and derived from the 2013 Valuation Reports do not comprise all the information that may be important to making an investment decision. The conclusions derived from these reports are based on information, projections and estimates available at the time of their preparation and none of these reports or the information derived therefrom has been updated. In view of these material risks and uncertainties, investors should not rely solely on the projections or other forward-looking statements included in or derived from any of the Independent Consultant Reports or 2013 Valuation Reports to make an investment decision and are urged to carefully analyze and conduct their own investigation of all of the information included in this offering circular. We cannot assure you that we will be able to refinance any amounts then-outstanding under the notes, on commercially reasonable terms or at all, which may result in the extension of the scheduled maturity date of the notes by up to two additional six-month periods. See "Description of Notes—Basic Terms of New Notes—Maturity Date Extension."

Finally, certain assumptions described under "Summary—Cash Availability on the Final Maturity Date" with respect to Issuer's ability to make the "balloon" payment should not be regarded as a representation by the Issuer or any Guarantor that any such assumptions will materialize. Moreover, neither our independent auditor nor any other independent auditor or financial advisor has examined, reviewed or compiled the assumptions described in "Summary—Cash Availability on the Final Maturity Date" regarding the Issuer's ability to make the final payment of principal and interest under the notes. Those assumptions are subject to material risks, uncertainties and contingencies. We do not intend to update or otherwise revise these assumptions to reflect circumstances existing or arising after the date of this offering circular, or to reflect the occurrence of unanticipated events. Prospective investors should make their own independent assessments of our ability to make principal and interest payments on the new notes. No assurance can be given that the Project Companies' cash flow from operations will be sufficient to pay, when due, the principal of and interest on the new notes.

The Issuer's ability to make payments on the new notes depends on its receipt of payments from the Project Companies.

The Issuer's ability to make payments of principal, interest and any other amounts due on the new notes is contingent on its receipt from the Project Companies of amounts sufficient to make these payments, and, in turn, on the Project Companies' ability to make these payments. In the event that the Project Companies are unable to make such payments for any reason, the Issuer would not have sufficient resources to satisfy its obligations under the indenture governing the new notes. In addition, if payments by the Project Companies under the intercompany notes are subject to any unexpected taxes (including withholding tax), the Issuer may not have sufficient funds to enable it to meet its payment obligations to you.

The ODN Tay IV Project Company is not permitted to enter into the supplemental indenture and the Note Guarantees before the repayment, purchase, transfer or assignment of the ODN Tay IV Existing Project Finance Obligations and the termination, waiver or amendment of the ODN Tay IV Existing Project Finance Documents (as defined herein) or before obtaining consent from the counterparties to the ODN Tay IV Existing Project Finance Documents, and failure by the ODN Tay IV Project Company to enter into the Note Guarantees and the supplemental indenture will result in the note holders having no recourse to the ODN Tay IV Project Company and its assets.

Pursuant to the terms of the ODN Tay IV Existing Project Finance Documents, the ODN Tay IV Project Company is not permitted to enter into the supplemental indenture and the Note Guarantees before the repayment, purchase, transfer or assignment of, or release of ODN Tay IV GmbH from, the ODN Tay IV Existing Project Finance Obligations and the termination, waiver or amendment of the ODN Tay IV Existing Project Finance Documents or before obtaining consent from the counterparties to the ODN Tay IV Existing Project Finance Documents. However, if an insolvency or liquidation proceeding is commenced against the Issuer or there is an Event of Default under the supplemental indenture or the indenture before the ODN Tay IV Project Company enters into the Note Guarantees and the supplemental indenture, the holders of the new notes and the other Secured Parties will not have recourse to the ODN Tay IV Project Company and its assets.

After the application of a portion of the proceeds of this offering to cause ODN Tay IV GmbH to be released from the ODN Tay IV Existing Project Finance Obligations and before the creation and perfection of a first priority security interest in the ODN Tay IV Collateral, the obligations under the new notes and the Note Guarantees may not be fully secured.

The proceeds of this offering will be deposited in the Note Proceeds Account, and will secure the Issuer's obligations under the notes and the Guarantors' obligations under the Note Guarantees. After the application of a portion of the proceeds of this offering to cause ODN Tay IV GmbH to be released from the ODN Tay IV Existing Project Finance Obligations and before the creation and perfection of a first priority security interest in the ODN Tay IV Collateral (including the first priority mortgages over the ODN Tay IV Drilling Rig), the obligations under the notes and the Note Guarantees will not be secured by the ODN Tay IV Collateral. In addition, if, in connection with arrangements to secure the release of ODN Tay IV GmbH from the ODN Tay IV Existing Project Finance Obligations, the relevant affiliates of the Issuer and the Project Companies and third parties fail to apply the proceeds released from the Note Proceeds Account upon the ODN Tay IV First Note Proceeds Utilization (as defined in the indenture) in connection with the release of the ODN Tay IV Project Company from the ODN Tay IV Existing Project Finance Obligations, these obligations will remain outstanding obligations of the ODN Tay IV Project Company, the liens on the ODN Tay IV Collateral in favor of the lenders of the ODN Tay IV Existing Project Finance Obligations will not be released and a first priority security interest in favor of the Secured Parties in the ODN Tay IV Collateral will not be established. Accordingly, in the event of a foreclosure, liquidation, bankruptcy or similar proceeding before a first priority security interest in favor of the holder of notes in the ODN Tay IV Collateral is established, the proceeds from any sale or liquidation of the proceeds on deposit in the Note Proceeds Account and the remainder of the Collateral may not be sufficient to pay the Issuer's obligations under the new notes and the Guarantors' obligations under the Note Guarantees in full. Any claim for the difference between the amount realized by holders of the new notes from the foreclosure of the proceeds on deposit in the Note Proceeds Account and the remainder for the Collateral and the Issuer's remaining obligations under the new notes (or the Guarantors' obligations under the Note Guarantees) would rank equally in right of payment with all of the Issuer's or the Guarantors' unsecured indebtedness that is not subordinated.

The new notes are subject to risks related to the release of the funds from the Note Proceeds Account.

If we commence a bankruptcy or reorganization case, or one is commenced against us, the applicable bankruptcy laws may prevent the trustee under the indenture governing the new notes from foreclosing on, and the Collateral Agent from releasing, the funds from the Note Proceeds Account. Under applicable bankruptcy laws, secured creditors such as the Collateral Agent may be prohibited from foreclosing upon or disposing of a debtor's property without prior bankruptcy court approval. In addition, in the event of a foreclosure, liquidation, bankruptcy or similar proceedings with respect to certain affiliates of the Project Parties or third parties, the proceeds of the new notes may become unavailable to secure the release of the ODN Tay IV from the ODN Tay IV Existing Project Finance Obligations, the Secured Parties will not have a security interest in these proceeds and the Secured Parties may not be able to compel these persons to apply these proceeds to cause the release of ODN Tay IV from the ODN Tay IV Existing Project Finance Obligations.

The Project Companies will be permitted to incur more indebtedness upon the issuance of Additional Notes, which could adversely affect the value of the Collateral and the credit support package securing the Issuer's obligations under the new notes and the initial notes.

The indenture governing the notes allows the Project Companies to issue Additional Notes, such as the new notes, under certain circumstances, which Additional Notes will also be guaranteed by the Project Companies and will share in the Collateral that will secure the Issuer's obligations under the new notes. As a result, any such additional debt will be secured by assets that secure the new notes, which could dilute the value of the Collateral securing the Issuer's obligations under the new notes. In addition, the holders of Additional Notes will be entitled to share equally with the holders of the new notes in any proceeds distributed in connection with the Project Companies' winding up, insolvency, liquidation, reorganization or dissolution. Moreover, in connection with the issuance of Additional Notes, an Additional Guarantor (as defined in the indenture) will guarantee the Issuer's obligations under the new notes and a mortgage over the Eligible Asset owned by such Additional Guarantor will secure the Issuer's obligations under the new notes. There can be no assurance that any Additional Guarantor will be as creditworthy as the Project Companies or that the Eligible Asset will have a valuation, demand, ability to be redeployed and technical characteristics comparable to the Vessels, which could result in the overall value and quality of the Collateral and other credit support securing the obligations of the Issuer under the new notes to be decreased.

The new notes are subject to transfer restrictions.

The new notes have not been registered under the Securities Act or the securities laws of any U.S. state or any other jurisdiction, and, unless so registered, may not be offered, sold or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, we have not authorized any offer of new notes to the public in the United Kingdom within the meaning of the Financial Services and Markets Act 2000. Accordingly, the new notes may not lawfully be offered or sold to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which do not and will not result in an offer to the public in the United Kingdom within the meaning of the Financial Services and Markets Act 2000. See "Transfer Restrictions."

Rights of holders of new notes in the Collateral may be materially adversely affected by bankruptcy proceedings.

The right of the Collateral Agent to repossess and dispose of the collateral securing the new notes or the Note Guarantees upon acceleration is likely to be significantly impaired by bankruptcy law if bankruptcy proceedings are commenced by or against the Project Companies prior to or possibly even after the Collateral Agent has repossessed and disposed of the collateral. Under applicable bankruptcy laws, a secured creditor, such as the Collateral Agent, is typically prohibited from repossessing its security from a debtor in a bankruptcy case, or from disposing of security repossessed from a debtor, without bankruptcy court approval. Moreover, applicable bankruptcy law generally permits the debtor to continue to retain and to use collateral and the proceeds, products, rents or profits of the collateral, even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given "adequate protection." The meaning of the term "adequate protection" may vary according to circumstances and applicable law, but it is intended in general to protect the value of the secured creditor's interest in the collateral and may include cash payments or the granting of additional security, if and at such time as the court in its discretion determines, for any diminution in the value of the collateral as a result of the stay of repossession or disposition or any use of the collateral by the debtor during the pendency of the bankruptcy case. In view of the broad discretionary powers of a bankruptcy court, it is impossible to predict how long payments under the new notes could be delayed following commencement of a bankruptcy case, whether or when the collateral agent would repossess or dispose of the collateral, and whether or to what extent holders of the new notes would be compensated for any delay in payment of loss of value of the collateral through the requirements of "adequate protection." Furthermore, in the event that a bankruptcy court were to determine that the value of the Collateral is not sufficient to repay, purchase, transfer or assign all amounts due on the notes, the holders of the new notes would have "undersecured claims" as to the difference.

Rights of holders of new notes in the Collateral may be materially adversely affected by the right of the Collateral Agent to repossess and dispose of the Vessels upon acceleration or in case of bankruptcy, which may be significantly impaired by the need to take judicial action in Brazil, the Bahamas, Panama or the Marshall Islands to enforce a possessory claim in respect of the Vessels.

The right of the Collateral Agent to repossess and dispose of the Vessels upon acceleration or in case of bankruptcy may be significantly impaired by the need to take judicial action in Brazil to enforce a possessory claim in respect of the Vessels. Although ownership of the Drillships is registered in the Bahamas, of the Norbe VI Drilling Rig in Panama and of the ODN Tay IV Drilling Rig in the Marshall Islands, as the Vessels will be operating within the territorial waters of Brazil, the arrest and seizure of the Vessels would likely be a matter of Brazilian law and will require a judicial order issued by a Brazilian court. The issuance of such judicial order may be challenged by third-parties claiming to have a possessory or other interest in the Vessels. For example, Petrobras may resist any attempt to physically remove the Vessels from their then operating locations on the grounds that the Charter Agreements provide that Petrobras should be ensured the quiet enjoyment of the Vessels during their term. Furthermore, there may be third-party claims under certain maritime liens, including court costs and federal taxes; seamen's wages; salvage and general average; repairs, supplies, and necessaries contracted outside the Vessels' home port; and collision and tort liens. Under Brazilian law, the filing of such a maritime lien by any third party could lead to the arrest and seizure of a Vessel in port. Any judicial proceedings in Brazil could be subject to lengthy delays resulting in increased custodial costs, a deterioration in the condition of the Vessels and possibly a substantial reduction in the value of the Vessels.

Similarly, under Panamanian, Bahamian and Marshall Islands law, the filing of such a maritime lien could lead to the arrest and seizure of a Vessel. If a counter indemnity is not posted to lift the arrest of the Vessel, the judicial procedures may result in lengthy delays, increased custodial costs, deterioration of the condition of the Vessels and possibly a substantial reduction in the value of the Vessels. Upon conclusion of the enforcement of the security interest over the Vessels, our shares or other collateral, the proceeds from any such enforcement proceedings may not be sufficient to pay noteholders for all amounts due under the new notes.

In addition, the Drillships are registered under Bahamian flag, the Norbe VI Drilling Rig is registered under Panamanian flag and the ODN Tay IV Drilling Rig is registered under the Marshall Islands flag and the Vessels have been operating in Brazilian waters since delivery and, potentially, will operate in various other jurisdictions after the expiration of the Charter Agreements. If the Issuer were to default under the new notes, the holders of a majority of the aggregate principal amount of the notes may direct the Trustee to instruct the Collateral Agent to bring a foreclosure action against us. We cannot assure you that as to the Vessels, effective or favorable foreclosure procedures and lien priorities will be available in any relevant jurisdiction at that time. Any foreclosure proceedings could be subject to lengthy delays resulting in increased custodial costs, deterioration in the condition of the Vessels and substantial reduction of the value of such collateral. In addition, Brazil and other jurisdictions may not provide a legal remedy for the enforcement of mortgages on the Vessels (following execution and delivery of the mortgages after acceptance and delivery of the Vessels).

Moreover, in connection with the foreclosure of the mortgage of a Vessel and its subsequent judicial sale in Panama, Panamanian law provides that the mortgage title is not sufficient to obtain a sale order. The Collateral Agent would need to commence special judicial proceedings and obtain a judgment in its favor and then proceed to request and obtain a court's sale order in respect of the relevant Vessel. The commencement of proceedings to foreclose on a mortgage of a Vessel in Panama could lead to the prior arrest and seizure of the relevant Vessel, which, in case counter indemnity is not sought, would result in lengthy delays, increased custodial costs, deterioration of the condition of the relevant Vessel and substantial decrease in the value of the relevant Vessel.

Under certain circumstances a court could cancel the new notes or the Note Guarantees.

The Issuer's issuance of the new notes, the Project Companies' guarantee of the new notes and the pledge of certain assets by certain of the other Project Parties may be subject to review under applicable fraudulent transfer laws. If the Issuer were in bankruptcy proceedings or were to encounter other financial difficulty, a court might avoid or cancel its obligations under the new notes. In general, the court might do so, if it found that, when the Issuer issued the new notes, (a) the Issuer received less than reasonably equivalent value or fair consideration and (b) the Issuer either (1) was or was rendered insolvent, (2) was left with inadequate capital to conduct its business or (3) believed or reasonably should have believed that it would incur debts beyond its ability to pay. The court might also avoid the new notes, without regard to factors (a) and (b), if it found that the Issuer issued the new notes with actual intent to hinder, delay or defraud its creditors.

Similarly, if either of the Project Companies or one of the other Project Parties becomes a debtor in a case under the applicable bankruptcy law or encounters other financial difficulties, a court might cancel such Note Guarantee or pledge made by it, if it found that when such Project Company or such other Project Party made such guarantee or pledge, or in some jurisdictions, when enforcement of such guarantee or pledge is sought, factors (a) and (b) above applied to such Project Company or such other Project Party, or if it found that such Project Company or such other Project Party made such Note Guarantee or pledge with actual intent to hinder, delay or defraud its creditors.

A court could find that none of the Issuer, the Project Companies or any such other Project Party received reasonably equivalent value or fair consideration for incurring its obligations under the new notes and its Note Guarantee or pledge.

The test for determining solvency for purposes of the foregoing will vary depending on the law of the jurisdiction being applied. In general, a court would consider an entity insolvent either if the sum of its existing debts exceeds the fair value of all of its property, or its assets' present fair saleable value is less than the amount required to pay the probable liability on its existing debts as they become due. For this analysis, "debts" includes contingent and unliquidated debts.

The Note Guarantees and Austrian law security interests in the Collateral securing the new notes and the Note Guarantees may not be enforceable under Austrian law.

The value and enforcement of the Note Guarantees and other security interests in Collateral granted by a Project Company may be limited, as Austrian corporate law contains strict capital maintenance rules. Pursuant to section 82 of the Austrian Act on Limited Liability Companies ("GmbH"), shareholders of a limited liability company are not entitled to demand any payments from the company, other than declared dividends based on balance sheet profit (*Bilanzgewinn*) and liquidation proceeds ("Austrian Capital Maintenance Restriction"). Such restriction prohibits any direct or indirect benefit granted by a limited liability company to any direct or indirect shareholder or any third-party related to such shareholder including, but not limited to, affiliates and group companies. According to established case law and unanimous doctrine, the creation of personal security (such as the Note Guarantees) or *in rem* security interests (such as security interests in the Collateral) constitutes a benefit within the meaning of the above interpretation. According to Austrian Supreme Court case law, the granting of any such benefit may be compliant with the Austrian Capital Maintenance Restriction when in the due upfront assessment of management, acting reasonably, there is adequate corporate benefit to the company from the underlying transaction(s) rendering the overall transactions(s) (including the granting of benefits to affiliated companies) beneficial to the company (*betriebliche Rechtfertigung*). The Austrian Supreme Court has, however, not yet specified what exactly is meant by corporate benefit.

The Austrian Capital Maintenance Restriction does not apply in case a company guarantees or provides security for obligations of a subsidiary. In connection with this offering, the Issuer will be a joint subsidiary of the Project Companies. However, the Note Guarantee by each Project Company guarantees the full amount of the obligations of the Issuer under the initial notes and will guarantee the full amount of the obligations under the new notes, while the amount of proceeds to be lent by the Issuer to each Project Company will be less than the amount guaranteed by such Project Company. The amount guaranteed by a Project Company under the Note Guarantee which is in excess of its direct benefit (*i.e.*, proceeds from issuance of the notes on-lent to it) may be assessed, applying a commercial view, as a benefit to the other Project Company (rather than the Issuer) in which case such benefit would fall under the Austrian Capital Maintenance Restriction. Absent express statutory rules and clear precedent, no final certainty as to the compliance with the Austrian Capital Maintenance Restriction can be given and it can, therefore, not be ruled out that an Austrian court holds that the Note Guarantees assumed by the Project Companies are void due to an infringement of the Austrian Capital Maintenance Restriction in full or in part. Such considerations apply also to *in rem* security interests in the Collateral granted by the Project Companies as such will secure the full obligations of the Issuer under the new notes and the initial notes.

Transactions that violate the Austrian Capital Maintenance Restriction are considered as prohibited repayment of equity (*verbotene Einlagenrückgewähr*) and are generally void and create personal liability of a company's managing directors. In order to mitigate the risk of breaching the Austrian Capital Maintenance Restriction, it is market standard to provide for limitations on any guarantee or security interest that is intended to secure obligations of other group companies. The Note Guarantees and other security interests granted by the Project Companies contain standard limitation language stating that, inter alia, all obligations thereunder shall be limited to the maximum amount permitted under Austrian capital maintenance rules. It should be noted, that while this approach is market standard in comparable Austrian transactions, there is no case law or legal writing supporting this approach.

The Issuer cannot assure you that future court rulings may not further limit the validity and enforceability of the guarantees and in rem security interests granted by the Austrian Project Companies, which could negatively affect its ability to make payment on the new notes offered hereby or the ability of the Austrian Project Companies to make payments on the Note Guarantees.

In addition, you may not be able to enforce, or recover any amounts under any Austrian law security interest unless the principle of accessoriness is adhered to. Under Austrian law a pledge is an accessory right (*akzessorisches Recht*) and will therefore be subject to the same legal consequences as the secured obligation; if the secured obligation is terminated or not valid, the same applies to the pledge. Furthermore, only monetary claims (*geldwerte Forderungen*) may be secured by a pledge under Austrian law and the pledge will cease by operation of Austrian law upon payment (or other discharge) of the secured obligations. Further, under Austrian law, a pledge may only be validly created in favor of creditors of the secured claims. Consequently, the Collateral Agent needs to be the joint and several creditor (*Solidargläubiger*) of each and every secured obligation of the Issuer towards each noteholder or a respective parallel debt obligation of the Issuer to the Collateral Agent needs to be established. Therefore, the security interests to be granted by the Austrian entities will be created in favor of the Collateral Agent acting in its capacity as creditor of a parallel debt and as a joint creditor (*Solidargläubiger*) of the secured claims. The parallel

debt concept has, however, not been tested under Austrian law, and we cannot assure you that it will eliminate or mitigate the risk of unenforceability posed by Austrian law.

According to Austrian law, the validity and enforceability of a security instrument, such as a pledge, depends on the identification of the pledged assets. A security instrument will thus only be valid under Austrian law, if the pledged assets are individually specified or at least ascertainable. Only fixed charges are possible under Austrian law. The concept of a floating charge is not recognized under Austrian law.

Since Austrian law does permit an appropriation of pledged assets by the pledgee upon the occurrence of an enforcement event only to a limited extent, an enforcement of a pledge governed by Austrian law generally requires the sale of the relevant collateral through a formal disposal process taking into account the pledgor's interests. Certain waiting periods and notice requirements will apply to such a disposal process.

Certain Financing Documents (as defined herein), including any amendments thereto, to which any of the Austrian Project Companies becomes a party may trigger Austrian stamp tax if originals or copies of such documents (or of relevant substitute documentation) are brought into Austria.

The Austrian Stamp Duty Act (*Gebührengesetz*) contains an exhaustive catalogue of legal transactions which are subject to ad valorem stamp tax at a rate ranging from 0.8% to 2% provided that (i) the relevant transaction is documented by a written deed in the sense of the Austrian Stamp Duty Act, and (ii) a certain nexus to Austria as described in the Austrian Stamp Duty Act is given. Such legal transactions include, inter alia, assignment agreements (*Zessionsverträge*), surety agreements (*Bürgschaftsverträge*), lease agreements (*Miet*/*Pachtverträge*) and accessions to joint liability (*Schuldbeitritte*). Precautionary measures that are usually applied in comparable transactions have been taken in the transaction documentation to mitigate the Austrian stamp duty risk. Any obligation to pay stamp tax by the Austrian Project Companies may materially adversely affect their ability to make payments under the intercompany loans and Note Guarantees, and consequently, the ability of the Issuer or the Guarantors to meet their payment obligations under the new notes.

Austrian bankruptcy laws may be less favorable to investors than bankruptcy and insolvency laws in other jurisdictions.

The Project Companies are organized under the laws of Austria and have their center of main interests in Austria. Insolvency proceedings with respect to any such company would be opened in Austria under Austrian law. The insolvency laws of Austria may not be as favorable to your interests as creditors as the insolvency laws of other jurisdictions. As a result, your ability to recover payments due on the new notes may be limited to an extent exceeding the limitations arising under other insolvency laws. For more details of certain aspects of Austrian insolvency laws, please see "Regulatory Overview—Austrian Insolvency Considerations."

Rights of holders of new notes in the Collateral may be materially adversely affected by the failure to perfect liens on the Collateral.

The failure to properly perfect liens on the Collateral could materially adversely affect the Collateral Agent's ability to enforce its rights with respect to the Collateral for the benefit of the holders of the new notes. In addition, applicable law requires that certain property and rights acquired after the grant of a general security interest or lien can only be perfected at the time such property and rights are acquired and identified. There can be no assurance that we will inform the Trustee or the Collateral Agent of, the future acquisition of property and rights that constitute Collateral, and that the necessary action will be taken to properly perfect the related lien on the Collateral. Neither the Trustee nor the Collateral Agent for the notes has any obligation to monitor our acquisition of additional property or rights that constitute collateral or the perfection of any security interests therein. Accordingly there exists the risk of a loss of the practical benefits of the liens thereon or of the priority of the liens securing the new notes and the Note Guarantees.

The trading price of the new notes may be volatile.

The market for debt securities is influenced by many factors, including economic and market conditions, interest rates and currency exchange rates, which may cause volatility in the prices of securities similar to the new notes. In addition, subsequent to their initial issuance, the new notes may trade at a discount from the initial offering price of the new notes, depending on the prevailing interest rates, the market for similar notes, our performance and other factors, many of which are beyond our control.

An active trading market for the new notes may not develop.

Although the initial notes are currently listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF, the new notes will be treated as a separated series and will have different ISIN and CUSIP numbers from and will not be fungible for trading purposes with the initial notes. The new notes constitute a new issue of securities, for which there is no existing market. Although we have applied to list the new notes on the Official List of the Luxembourg Stock Exchange and admit the new notes for trading on the Euro MTF, we cannot assure investors that this application will be accepted. The initial purchasers are not under any obligation to make a market with respect to the new notes, and we cannot assure you that trading markets will develop or be maintained, that holders of the new notes will be able to sell their new notes, or the price at which such holders may be able to sell their new notes. If an active trading market were to develop, the new notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, our results of operations and financial condition, prospects for other companies in our industry, political and economic developments in and affecting Brazil, the risk associated with Brazilian and other issuers of similar securities and the market for similar securities. If an active trading market for the new notes does not develop or is interrupted, the market price and liquidity of the new notes may be materially adversely affected.

Changes in respect of the public debt ratings of the new notes or the initial notes may materially and adversely affect the availability, cost and terms and conditions of our debt.

The initial notes and the new notes will be, and any of the future debt instruments of the Issuer or the Project Companies may be, publicly rated by any or all of S&P, Moody's, or Fitch. These public debt ratings may affect our ability to raise debt in the future. Any future downgrading of the new notes or our other debt by S&P, Moody's, or Fitch would adversely affect the value and trading of the new notes.

Because none of the Issuer and the Project Companies is incorporated under the laws of the United States, you may face difficulties in protecting your interests, and your ability to protect your rights through the U.S. federal courts may be limited.

The Issuer is incorporated with limited liability under the laws of the Cayman Islands, each Project Company is incorporated with limited liability under the laws of the Republic of Austria and substantially all of our assets are located outside the United States. In addition, none of our direct and indirect shareholders or any of our directors or managers is a national or resident of the United States and all or a substantial portion of their assets are located outside the United States. As a result, it may be difficult for holders of notes to effect service of process within the United States upon the Issuer's, a Project Company's or our directors and managers, or to enforce judgments obtained in the United States courts against the Issuer's, a Project Company's or our directors and managers. See "Enforcement of Judgments."

EXCHANGE RATES

The Brazilian currency has during the last decades experienced frequent and substantial variations in relation to the U.S. dollar and other foreign currencies. Primarily as a result of the crisis in the global financial markets, the *real* depreciated 36% against the U.S. dollar and reached R$2.313 per U.S.$1.00, at year-end 2008 In 2009 and 2010, the *real* appreciated against the U.S. dollar and reached R$1.659 per U.S.$1.00 at year-end 2010. During 2011, the *real* depreciated and on December 31, 2011, the exchange rate was R$1.863 per U.S.$1.00. During 2012 and 2013, the *real* continued to depreciate, reaching R$2.043 per U.S.$1.00 as of December 31, 2012 and R$2.343 per U.S.$1.00 as of December 31, 2013. The exchange rate was R$2.380 per U.S.$1.00 as of February 20, 2014.

The Central Bank has intervened occasionally to combat instability in foreign exchange rates. We cannot predict whether the Central Bank or the Brazilian government will continue to allow the *real* to float freely or will intervene in the exchange rate market through a currency band system or otherwise.

The following tables present the selling rate, expressed in reais to the U.S. dollar (R$/U.S.$), for the periods indicated:

	Period-End	Average for Period (1)	Low	High
		(*reais* per U.S. dollar)		
Year				
2009	1.742	1.994	1.692	2.450
2010	1.659	1.759	1.643	1.916
2011	1.863	1.675	1.527	1.949
2012	2.043	1.955	1.686	2.138
2013	2.343	2.160	1.953	2.446
2014 (through May 9, 2014)	2.219	2.296	2.198	2.440

	Period-End	Average for Month (2)	Low	High
		(*reais* per U.S. dollar)		
Month				
November 2013	2.325	2.295	2.243	2.336
December 2013	2.343	2.345	2.310	2.382
January 2014	2.426	2.382	2.333	2.440
February 2014	2.380	2.400	2.380	2.424
March 2014	2.263	2.326	2.260	2.365
April 2014	2.236	2.233	2.197	2.281
May 2014 (through May 9)	2.219	2.224	2.211	2.232

Source: Central Bank

(1) Represents the average of the exchange rates on the last day of each month during the period.

(2) Average of the lowest and highest rates in the month.

The rate used to translate *real* amounts contained in this offering circular into U.S. dollars was R$2.343 to U.S.$1.00, which was the selling rate for the purchase of U.S. dollars in effect as of December 31, 2013, as reported by the Central Bank.

USE OF PROCEEDS

The following table provides a summary of the expected sources of financing and the estimated uses of the proceeds of the new notes.

	Funds (1)	
	(U.S.$ millions)	(%)
New notes offered hereby	580.0	100
Expected uses		
Release of ODN Tay IV Project Company from the ODN Tay IV Existing Project Finance Obligations (2)	397.9	69
Funding of Offshore Sinking Fund Account	30.0	5
Underwriting fees and offering related expenses	12.0	2
General corporate purposes of the ODN Tay IV Project Company (3)	140.1	24
Total uses	580.0	100

(1) The sum of the figures in this column may not equal the total due to rounding.

(2) See "Management's Discussion and Analysis of Financial Condition and Results of Operations— Summary of ODN Tay IV Existing Project Finance Obligations" for summaries of the ODN Tay IV Existing Project Finance Obligations.

(3) Funds used for general corporate purposes of the ODN Tay IV Project Company may be used to make distributions or loans to the Operator or any of its affiliates.

The proceeds of this offering will be deposited in the Note Proceeds Account, and will secure the Issuer's obligations under the notes and the Guarantors' obligations under the Note Guarantees. Funds on deposit in the Note Proceeds Account will be used to secure the release of the ODN Tay IV Project Company from the ODN Tay IV Existing Project Finance Obligations. See "Risk Factors—Risks Relating to the New Notes and the Note Guarantees—After the application of a portion of the proceeds of this offering to cause ODN Tay IV GmbH to be released from the ODN Tay IV Existing Project Finance Obligations and before the creation and perfection of a first priority security interest in the ODN Tay IV Collateral, the obligations under the new notes and the Note Guarantees may not be fully secured."

CAPITALIZATION

Issuer

The Issuer was incorporated with a share capital of U.S.$3.00, fully paid in. After giving *pro forma* effect to the offering of the new notes, substantially all of the Issuer's capitalization will be in the form of long-term indebtedness, in an aggregate amount equivalent to the sum of the aggregate principal amount of the gross proceeds of this offering and the outstanding aggregate principal amount of the initial notes. As of December 31, 2013 the Issuer's total indebtedness amounted to US$1,677,960,646.21, of which 1,592,825,000 were long term loans and financing and all of which is related to the issuance of the initial notes.

Project Companies

The following table sets forth the combined capitalization of the Issuer and the Project Companies as of December 31, 2013:

- on an actual historical basis, derived from the Project Companies' combined audited balance sheet as of December 31, 2013; and
- as adjusted to give effect to the sale of the new notes in this offering and the receipt of proceeds therefrom after deduction of the amounts to be reimbursed by the Issuer to the Operator for the payment of commissions and expenses paid by the Operator in connection with this offering.

This table should be read in conjunction with the sections entitled "Use of Proceeds" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Project Companies' combined financial statements and related notes appearing elsewhere in this offering circular.

	As of December 31, 2013	
	Actual	As adjusted
	(in U.S.$ thousands)	
Norbe VI Project Company		
Cash and cash equivalents	4,634	4,634
Intercompany notes (long-term debt) (secured) (1)	498,034	498,034
ODN Project Company		
Cash and cash equivalents	26,750	26,750
Intercompany notes (long-term debt) (secured) (1)	982,252	982,252
ODN Tay IV Project Company		
Cash and cash equivalents	2,816	172,816
ODN Tay IV Existing Project Finance Obligations (long-term debt) (secured) (1) (2)	344,885	—
Issuer (3)		
New notes offered hereby	—	580,000
Combined Norbe VI Project Company, ODN Project Company, ODN Tay IV Project Company and Issuer		
Long-term debt	1,825,171	2,060,286
Equity	659,542	659,542
Total capitalization	2,484,713	2,719,828

(1) The Project Companies' secured debt is secured by liens on substantially all of the assets of, and 100% of the equity interests in, the Project Companies.

(2) As set forth under "Use of Proceeds," the total indebtedness in respect of the ODN Tay IV Existing Project Finance Obligations as of December 31, 2013 was U.S.$397.9 million, including transaction costs of U.S.$5.0 million. The long-term portion of this amount was US$344.9 million, which obligation is expected to be released in connection with the use of proceeds from this offering as shown in the "As adjusted" column of the table above. The short-term portion of the aggregate amount of the ODN Tay IV Existing Project Finance Obligations as of December 31, 2013 was US$48.0 million. This obligation is also expected to be released in connection with the use of proceeds from this offering.

(3)As of December 31, 2013, the Issuer's total total indebtedness amounted to US$1,677,960,646.21, of which 1,592,825,000 were long term loans and financing and all of which is related to the issuance of the initial notes.

Other than as set forth above, there has been no material change in the combined capitalization of the Project Companies.

SELECTED FINANCIAL DATA

The Project Companies' selected financial data denominated in U.S. dollars presented in the tables below are derived from the Project Companies' combined audited financial statements as of December 31, 2013 and for the year then ended (which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011) and related notes, all of which are prepared in accordance with IFRS and included elsewhere in this offering circular. The information herein should be read in conjunction with the Project Companies' combined financial statements and related notes included elsewhere in this offering circular, as well as the information under "Presentation of Financial and Other Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Combined Statements of Income

	Year Ended December 31,		
	2013	2012	2011
	(in U.S.$ thousands)		
Revenue	432,398	216,149	57,188
Costs of services rendered	(216,737)	(103,877)	(5,340)
Operating profit	215,661	112,272	51,848
Finance income	—	—	14
Finance costs	(123,008)	(43,933)	(12,181)
Profit for the year	92,653	68,339	39,681

Combined Balance Sheets

	As of December 31,		
	2013	2012	2011
	(in U.S.$ thousands)		
Current assets			
Cash and cash equivalents	34,200	85,467	40,178
Short-term investments	6,564	7,928	—
Accounts receivable	49,849	25,385	4,679
Related parties	25,131	—	—
Claim receivable	19,168	—	—
Prepaid expenses	115	1,501	—
Other assets	312	180	—
Total current assets	135,339	120,461	44,857
Non-current assets			
Other assets	7,001	—	—
Equipment	2,633,710	2,557,449	1,647,431
Total non-current assets	2,640,711	2,557,449	1,647,431
Total assets	2,776,050	2,697,910	1,692,288

	As of December 31,		
	2013	2012	2011
	(in U.S.$ thousands)		
Liabilities and shareholders' equity			
Current liabilities			
Financings	108,446	201,689	88,346
Related parties	107,708	—	—
Contractual obligations	68,918	—	—
Accounts payable	6,265	17,922	7,101
Other liabilities	—	905	—
Total current liabilities	291,337	220,516	95,447
Non-current liabilities			
Financings	1,825,171	1,652,707	1,119,930
Accounts payable	—	9,730	—
Total non-current liabilities	1,825,171	1,622,437	1,119,930
Equity			
Capital (made up of common shares)	122	122	169,195
Additional paid-in capital	834,536	776,185	268,035
Retained earnings (accumulated losses)	(175,116)	38,650	39,681
Total equity	659,542	814,957	476,911
Total liabilities and equity	2,776,050	2,697,910	1,692,288

Balance Sheet of the Issuer

	As of December 31, 2014
	(in U.S.$ thousands)
Assets	1,677,960,646.21
Current assets	4,626,792.46
Long-term assets	1,673,333,853.75
Liabilities	1,677,960,646.21
Curent liabilities	85,135,643.21
Loans and financing	80,508,853.75
Long-term liabilities	1,592,825,000.00
Equity	3.00

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of the Project Companies' financial condition and results of operations should be read in conjunction with the Project Companies' combined audited financial statements as of December 31, 2013 and for the year then ended (which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011) and the notes thereto included elsewhere in this offering circular, as well as the information presented under "Presentation of Financial and Other Information" and "Selected Financial and Other Information." The following discussion contains forward-looking statements that involve risks and uncertainties. The Project Companies' actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including those set forth in "Forward-Looking Statements and Other Information" and "Risk Factors."

Overview

Issuer. The Issuer, Odebrecht Offshore Drilling Finance Limited, is a wholly-owned subsidiary of the Project Companies (as of the date of this offering circular, 50.18% held by the ODN Project Company, 24.27% held by the Norbe VI Project Company and 25.55% held by the ODN Tay IV Project Company. The Issuer is incorporated as an exempted company with limited liability under the laws of the Cayman Islands. The Issuer will be a special purpose company that conducts no business operations. Its sole activities in connection with this offering will be to issue the new notes and to lend the proceeds of the new notes to the Project Companies. The Issuer's only assets are and will continue to be the intercompany notes owed to it by the Project Companies and its only indebtedness is and will continue to be its obligations under the initial notes and the new notes.

Project Companies. The Project Companies are Austrian limited liability companies and indirect subsidiaries of the Operator, established, respectively, on June 16, 2010 in the case of the Norbe VI Project Company, December 18, 2008 in the case of the ODN Project Company and October 11, 2010 in the case of the ODN Tay IV Project Company. The Project Companies were formed solely for the purpose of financing, constructing and owning the Vessels. The Charter Agreements were entered into, in the case of the Norbe VI Drilling Rig, on September 15, 2006 between Petrobras and COU, assigned by COU to ODS and later assigned to the Norbe VI Project Company, in the cases of the ODN I Drillship and the ODN II Drillship, on July 25, 2008 between Petrobras and Delba, and later assigned by Delba to the ODN Project Company and in the case of the ODN Tay IV Drilling Rig, on April 18, 2008 between Petrobras and Delba and later assigned to the ODN Tay IV Project Company. The Norbe VI Charter Agreement has an initial seven-year term that commenced on July 14, 2011, the date it began operating. The Norbe VI Charter Agreement was originally scheduled to expire on July 11, 2018 but has been extended to March 27, 2019 as a result of a unilateral extension exercised by Petrobras pursuant to a provision in the Norbe VI Charter Agreement that allows for an unilateral extension by Petrobras of the term of the agreement as a result of certain instances of downtime. Each Drillship Charter Agreement has a ten-year term that commenced on the dates the Drillships began operating: September 12, 2012 in respect of the ODN I Drillship and August 28, 2012 in respect of the ODN II Drillship. The ODN Tay IV has a seven-year term that commenced on March 2, 2013, the date it began operating. The ODN Tay IV Charter Agreement expires on February 29, 2020. See "Description of Principal Transaction Agreements—Charter Agreements."

The Norbe VI Charter Agreement was entered into in 2006 between Petrobras and COU, assigned to ODS in 2007 and assigned to the Norbe VI Project Company in 2012. Each Drillship Charter Agreement was entered into in 2008 between Petrobras and Delba, and assigned eventually to the ODN Project Company in 2010. The ODN Tay IV Charter Agreement was entered into in 2008 between Petrobras and Delba, and assigned to the ODN Tay IV Project Company in December 2011. The Norbe VI Charter Agreement has an initial seven-year term, which commenced on the date of acceptance by Petrobras and includes an option to extend its term for up to an additional seven years by mutual agreement of the parties. Each Drillship Charter Agreement has a ten-year term, which commenced on the date of the applicable Drillship's acceptance by Petrobras and includes an option to extend its term for up to an additional ten years by mutual agreement of the parties. The ODN Tay IV Charter Agreement has a seven-year term, which commenced on the date of acceptance by Petrobras and includes an option to extend its term for up to an additional seven years by mutual agreement of the parties. Payments to the Project Companies under the Charter Agreements for the ten- and seven-year terms of such agreements are based on the availability of the Vessels and the period during which they are utilized, at an original rate of U.S.$179,880 per day for the Norbe VI

Drilling Rig (currently U.S.$192,472 per day), an original rate of U.S.$328,500 per day for each of the Drillships (currently U.S.$331,785) and an original rate of U.S.$315,000 per day for the ODN Tay IV Drilling Rig (currently U.S.$340,200 per day). These payments are calculated by multiplying the day rate for each Vessel by the availability of such Vessel expressed as a percentage of the number of days of availability in the applicable period. The day rate for the Norbe VI Charter Agreement will be adjusted by 100% of the CPI every four years. The day rate for each Drillship Charter Agreement will be adjusted by 20% of the CPI after the first four years and every two years thereafter. The day rate for the ODN Tay IV Charter Agreement will be adjusted by 100% of the CPI every four years. See "Description of Principal Transaction Documents—Charter Agreements." Each Charter Agreement may be terminated by Petrobras for, among other reasons, (1) failure of the relevant Project Company to meet the performance criteria specified in the applicable Charter Agreements and (2) an interruption in operations of the applicable Vessel for more than 60 days caused by the applicable Project Company. The Project Companies may terminate the Charter Agreements if Petrobras fails to pay any amount due under the Charter Agreements and such failure continues for more than 90 days. In addition, the Charter and the Services Agreement provide that Petrobras may, without the consent of the Project Companies or the Operator, assign such agreements to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

The Norbe VI Services Agreement was entered into in 2006 between Petrobras and CNO and assigned to the Operator in 2007. Each Drillship Services Agreement was entered into in 2008 between Petrobras and Delba Serviços, and assigned to ODN Perfurações Ltda. in 2010 and to the Operator later that year. The ODN Tay IV Services Agreement was entered into in 2008 between Petrobras and Delba Serviços and assigned to the Operator in December 2011. The Operator will operate the Vessels for Petrobras. The Operator and its affiliates will supply operating services, which include providing domestic and foreign labor, supervision, equipment, materials and supplies for the maintenance and operation of the Vessels. Payments to the Operator under the Services Agreements for the seven- and ten- year terms of such agreements are based on the availability of the Vessels and the period during which the Vessels are utilized, at an original rate of R$268,669 per day for the Norbe VI Drilling Rig (currently R$335,970 per day), an original rate of R$62,189 per day for each of the ODN I Drillship and the ODN II Drillship (currently R$77,462 per day) and an original rate of R$63,378 per day for the ODN Tay IV Drilling Rig (currently R$82,245 per day). These payments are calculated by multiplying the day rate for each Vessel by the availability of such Vessel expressed as a percentage of the number of days of availability in the applicable period. The day rate under each Services Agreement is adjusted annually according to a formula, as amended in 2012, based on a basket of indices, 50% of which is composed of the INPC, 20% of which is composed of the IPA and 30% of which is composed of the fluctuation of the U.S. Dollar exchange rate during the applicable period. See "Description of Principal Transaction Documents—Services Agreements."

Critical Accounting Policies and Accounting Estimates

The Project Companies prepare their combined financial statements in U.S. dollars in accordance with IFRS. This offering circular includes elsewhere the combined financial statements of the Project Companies as of December 31, 2013 and for the year then ended (which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011) audited by our independent auditors, as stated in their reports included elsewhere in this offering circular.

We have prepared combined financial statements based on assets, liabilities, revenues and expenses identified and segregated using the individual financial information of ODN I GmbH, ODS and ODN Tay IV GmbH for the year ended December 31, 2011 up to June 26, 2012, ODN I GmbH, Odebrecht Drilling Norbe VI GmbH and ODN Tay IV GmbH from June 27 to December 31, 2012 and ODN I GmbH, Odebrecht Drilling Norbe VI GmbH and ODN Tay IV GmbH for the year ended December 31, 2013. In the process of combination, when applicable, the account balances and results of unrealized intercompany transactions at the reporting date were eliminated.

The businesses included in the combined financial statements have not operated as a single entity. The combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the businesses had operated as a single business during the years presented or of future results of the combined businesses.

The individual financial statements of Odebrecht Drilling Norbe VI GmbH include the consolidated results and financial position of its wholly-owned subsidiary ODS. The combined financial statements do not consolidate the results of operations or financial position of the Issuer.

The presentation of the Project Companies' financial condition and results of operations in conformity with IFRS requires them to make certain judgments and estimates regarding the effects of matters that are inherently uncertain and that impact the carrying value of their assets and liabilities. Actual results could differ from these estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The principal estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year relate to depreciation and are described below. Other significant accounting policies applied in the preparation of the combined financial statements are also described below.

Cash and cash equivalents

Cash and cash equivalents are carried on the balance sheet at cost. For the purposes of the statements of cash flows, cash and cash equivalents are comprised of cash on hand, demand deposits with banks, and other short-term highly liquid investments, which have a maturity of 90 days or less from the date of their acquisition and can be immediately converted into a known cash amount, for which the risk of change in market value is insignificant.

Accounts receivable

Accounts receivables are amounts due from customers for services rendered in the regular course of the Project Companies' business. If collection is expected in one year or less, such amounts are classified as current assets. If collection is expected beyond one year, such amounts are presented as non-current assets. Receivables are recognized at the amount billed, adjusted by provisions for impairment, if necessary.

Equipment; Depreciation

Equipment is stated at historical cost less accumulated depreciation and includes capitalized interest incurred during the construction period. Significant additions or improvements extending assets' lives are capitalized. Regular maintenance and repair costs will be expensed as incurred. Depreciation is calculated using the straight-line method over the useful lives of the assets. Impairment losses are recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Project Companies and the cost of the item can be reliably measured. The carrying amount of replaced parts is derecognized. All other repairs and maintenance costs are charged to the statement of operations during the period in which they are incurred.

Depreciation of the assets is calculated using the straight-line method to reduce the cost to their residual values over their estimated useful lives, as follows:

Asset	Useful Life (in years)
Vessels	30
Floaters	8
Riser columns	8
Drilling column	4

The Norbe VI Drilling Rig has been depreciated since July 14, 2011, the ODN I Drillship since September 12, 2012, the ODN II Drillship since August 28, 2012, and the ODN Tay IV Drilling Rig since March 2, 2013, the respective dates of commencement of operations of each Vessel. In addition, the assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of income.

Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the

asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

Financing

Financing is recognized initially at fair value, net of transaction costs incurred. In subsequent periods, financing is stated as amortized cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognized in the statement of operations over the period of the financings.

Incremental costs incurred on the establishment of financings are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the financing to which it is related.

Financings are classified as current liabilities unless the Project Companies have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date

Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired from suppliers in the regular course of the Project Companies' business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer than one year). Otherwise, if longer than one year, such amounts are presented as non-current liabilities. Accounts payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, accounts payable are usually recognized at the amount of the related invoice and the fair value is equal to the invoice value.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Project Companies' activities. Revenue is shown net of taxes, rebates and discounts.

The Project Companies recognize revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Project Companies' activities.

Lease charter contracts

The Project Companies are party to the Charter Agreements. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the Charter Agreements are accounted for on the accrual basis and are stated based on a defined day rate, for an initial period of seven years for the Norbe VI Project Company (the term of the Norbe VI Charter Agreement has been extended until March 27, 2019 as a result of a unilateral extension exercised by Petrobras pursuant to a provision in the Norbe VI Charter Agreement that allows for an unilateral extension by Petrobras of the term of the agreement as a result of certain instances of downtime, and is renewable for up to an additional seven years upon mutual agreement of the parties), seven years for the ODN Tay IV Project Company (assuming no cancellation of the ODN Tay IV Chart Agreement by Petrobras in year six – See "Description of Principal Transaction Documents—Charter Agreements—ODN Tay IV Charter Agreement"), and ten years for the ODN Project Company, extendable for up to additional seven years and an additional ten years, respectively, by mutual agreement of the parties.

Financial instruments

Identification and valuation of financial instruments. The Project Companies maintain financial instruments, mainly, suppliers and financing for the construction of property and equipment.

Financial risk management policy. The Project Companies have adopted financial policies that set forth the guidelines for the management of risks. In accordance with these policies, the nature and general position of

financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. Under these policies, market risks are hedged when the Project Companies believe it is necessary to support their corporate strategy. According to the risk management policy, speculative trading is prohibited. Pursuant to the terms of the indenture, the ODN Project Company and the Norbe VI Project Company are not permitted to enter into hedging transactions. After the completion of this offering, the ODN Tay IV Project Company will not be permitted to enter into hedging transactions. See "Description of Notes—Certain Covenants—Incurrence of Indebtedness and Issuance of Disqualified Stock."

Credit risk. Credit risk arises from cash and cash equivalents as well as credit exposures to customers. Currently, for banks and financial institutions, only independently rated parties with a minimum rating of 'A' on the global scale and, for Brazilian banks, 'A' on the local scale are accepted. The Project Companies have entered into the Charter Agreements with Petrobras with respect to the chartering of the Vessels. The contract terms are an initial seven, ten and seven years, for the Norbe VI Drilling Rig, for the Drillships, and for the ODN Tay IV Drilling Rig, respectively, and may be renewed for equal periods upon mutual agreement of the parties. Petrobras is currently rated Baa1 by Moody's with a negative outlook, BBB by Fitch with a stable outlook and BBB by S&P with a negative outlook. A rating is not a recommendation to purchase, hold or sell any securities and is based on information currently available to the respective rating agencies. These ratings may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information.

Liquidity risk. This is the risk of the Project Companies not having sufficient liquid funds to meet their financial commitments, due to mismatch of terms or volume in expected receipts and payments. To manage liquidity of cash, disbursements and receipts are determined and monitored on a daily basis by the treasury department of the Operator.

Market risk — interest rate risk. This risk arises from the possibility that the Project Companies incur losses due to fluctuations in interest rates that lead to an increase in financial expenses related to financing obtained in the market. The intercompany notes issued by the Project Companies are stated at a fixed interest rate. The ODN Tay IV Existing Project Finance Obligations bear interest at an interest rate equal to LIBOR, a floating rate, plus an applicable margin.

New standards, amendments and interpretation to existing standards that are not yet effective

The following new standards, amendments and interpretations to the existing IFRS standards were issued by the IASB, but are not effective for 2013.

IFRS 9, "Financial instruments," addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Project Companies have yet to assess IFRS 9's full impact. This standard is applicable as from January 1, 2015.

The IFRS Interpretations Committee, or IFRIC, issued the interpretation IFRIC 21, "Levies," which clarifies when an entity should recognize an obligation to pay levies according to the legislation. An obligation should only be recognized when an event that results in an obligation occurs. This interpretation is applicable as from January 1, 2014.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Project Companies.

Principal Factors Affecting the Project Companies' Revenue and Results of Operations

Availability

The Project Companies' revenues and results of operations will depend principally upon the continued effectiveness of the Charter Agreements, the number of days the Vessels are available taking into account the daily

operational availability. The day rate of the Vessels is set for the life of each relevant contract and the payment is based on availability, not utilization. As such, revenues began to be generated once the Vessels commenced operations and became available, notwithstanding the utilization status of the Vessels. The original day rate of the Vessels was U.S.$179,880 per day for the Norbe VI Drilling Rig (currently U.S.$192,472 per day), an original rate of U.S.$328,500 per day for each of the ODN I Drillship and the ODN II Drillship (currently U.S.$331,785) and an original rate of U.S.$315,000 per day for the ODN Tay IV Drilling Rig (currently U.S.$340,200 per day). These payments are required to be made monthly and are calculated by multiplying the day rate for each Vessel by its availability expressed as the percentage of days of availability during the applicable period. The day rate for the Norbe VI Charter Agreement will be adjusted by 100% of the accumulated CPI every four years. The day rate for each Drillship Charter Agreement will be adjusted by 20% of the CPI after the first four years and every two years thereafter. The day rate for the ODN Tay IV Charter Agreement will be adjusted by 100% of the CPI every four years.

In addition, Petrobras will pay a bonus fee to the Norbe VI Project Company and the Operator, respectively, of up to 15% of the day rate under the applicable Charter Agreement and Services Agreement, as the case may be, for any given time period when the Norbe VI Drilling Rig is at least 90.14% available to Petrobras. Pursuant to the ODN I and ODN II Charter Agreements and Services Agreements, Petrobras will pay a bonus fee of up to 10% of the day rate for a given time period when the Vessels are at least 93% available to Petrobras. Pursuant to the ODN Tay IV Charter Agreement and Services Agreement, Petrobras will pay a bonus fee of up to 15% for a given time period when the ODN Tay IV Drilling Rig is at least 90.14% available to Petrobras. The bonus fee varies according to the percentage of availability of the applicable Vessels over a one-month period. See “Description of Principal Transaction Documents—Services Agreements.”

Availability for each of the Vessels has been affected by certain periods of downtime from the commencement of operations through the date hereof, which, according to the applicable Independent Engineer Report included (A) for the Norbe VI Drilling Rig: (1) the blow-out preventer, or BOP, having dropped, which caused a stoppage from December 4, 2011 through March 2012; during this downtime, this Vessel’s business interruption insurance provided coverage for 56 days following the initial 60-day waiting period required for the insurance coverage to commence and Petrobras paid the full amount of its dry-docking compensation (during 35 days, which is the maximum allowable period during the term of the Norbe VI Charter Agreement) to cover a portion of the downtime; (2) a blackout recovery system failure lasting five days in November 2012; (3) a top drive dolly repair during eight days in November 2012; (4) a repair to the BOP fail safe valves lasting 11 days in November and December 2012; (5) a divert packer failure which took twelve days to repair in December 2012; (6) repairs in the blow-out preventer, which caused a stoppage from April 8, 2013, through April 18, 2013; and (7) blow-out preventer incidental disconnect from the lower marine riser package, which caused a stoppage from April 18, 2013 through May 1, 2013; (B) for the ODN I Drillship: (1) failure of the top drive lasting one day in October 2012; (2) failure of the acoustic hot stab during five days in October 2012; (3) a planned shutdown to repair a manufacturing default in the oil/air accumulator of the passive compensator system (the Crown Mounted Compensator, or CMC) lasting 43 days from April 11, 2013 to May 24, 2013; (4) problems in the oil/air accumulator of the CMC from January 26, 2013 through February 4, 2013; and (5) a planned shutdown to repair a manufacturing defect in the CMC lasting 44 days from April 10, 2013 to May 24, 2013; (C) for the ODN II Drillship: (1) a connector design problem lasting five days in October 2012; (2) a CMC malfunction lasting three days in October 2012; and (3) a stoppage due to a fishing event lasting ten days in October and November 2012; and (D) for the ODN Tay IV Drilling Rig: (1) diesel hose leakage, which caused a stoppage from March 4, 2013 through April 6, 2013; (2) hydraulic and electronic blow-out preventer’s yellow pod issues, which caused the rig to stop from April 29, 2013 through May 12, 2013; (3) drilling controls issues, causing a downtime from June 14 through 15, 2013; (4) heave compensator leakage, causing a stoppage from July 24, 2013 through September 17, 2013; during this downtime, Petrobras used 20 days from its dry-docking allowance to cover a portion of the downtime; (5) thrusters 5 and 7 repairs, which caused a stoppage from August 5, 2013 through September 16, 2013; and (6) diesel hose leakage, which resulted in a stoppage from October 2, 2013 through November 19, 2013.

Demand

The Charter Agreements for the Norbe VI Drilling Rig, the ODN I Drillship, the ODN II Drillship and the ODN Tay IV Drilling Rig commenced on the date of acceptance of the applicable Vessel by Petrobras, July 14, 2011, September 12, 2012, August 28, 2012 and March 2, 2013, respectively. These agreements will expire on March 27, 2019, September 10, 2022, August 26, 2022 and February 29, 2020, respectively, but each includes an option to extend its term by mutual agreement of the parties. Once the Charter Agreements expire, one of the factors that will affect the Project Companies’ revenue and results of operations will be the then-applicable demand for the Vessels.

Generally, demand for charter and operation of ultra-deepwater drilling vessels is influenced by a number of factors, including the current and expected prices of oil and gas and the expenditures of oil and gas companies for exploration and development of their fields. In addition, demand for Vessel services remains dependent on a variety of political and economic factors beyond the control of the Project Companies or the Operator, including worldwide demand for oil and gas, OPEC's ability to set and maintain production levels and pricing, the level of production of non-OPEC countries and the policies of various governments regarding exploration and development of their oil and gas reserves.

The Charter Agreement for the Norbe VI Drilling Rig will expire on March 27, 2019 and the Charter Agreement for the ODN Tay IV Drilling Rig will expire on February 29, 2020, each of which is several years before the scheduled maturity of the notes. If the Project Companies are unable to renew the existing Norbe VI Charter Agreement and/or the existing ODN Tay IV Charter Agreement or enter into a new charter agreement for the Norbe VI Drilling Rig and/or for the ODN Tay IV Drilling Rig, then their revenue and results of operations could be adversely affected.

Principal Statement of Income Line Items of the Project Companies

Revenues. The Project Companies' revenues will depend principally upon the continued effectiveness of the Charter Agreements, the number of days the Vessels are available taking into account the daily operational availability. The day rate is set for the life of the Charter Agreements and the payment is based on availability, not utilization.

Revenues are derived primarily from: (1) the availability of the relevant Vessel, and (2) an operation bonus based on the monthly availability rate, which is generated from the day rate amount multiplied by the availability of each Vessel. If this availability calculation yields a monthly availability rate above 93% for the Drillships, 90.14% for the Norbe VI Drilling Rig and for the ODN Tay IV Drilling Rig, the respective Project Company is entitled to receive a variable bonus payment that can reach up to 10% or 15%, respectively.

Prior to the expiration of initial terms of the Charter Agreements, depending on the then existing day rates for ultra-deepwater Vessels, the Project Companies currently plan to seek, in conjunction with the Operator, to negotiate an extension of the term of the Charter Agreements with Petrobras or the Project Companies may seek to enter into charter arrangements with other clients. Following the end of the Charter Agreements' terms, the Project Companies may choose to mobilize one or both of the Vessels to one or more other geographic regions.

Costs of Services Rendered. The Project Companies' costs of services rendered are comprised of the operation and maintenance expenses incurred by the Project Companies and are primarily affected by the cost of insurance, labor, fuel, repairs and maintenance, taxes reimbursed to the Operator, as well as the utilization of the Vessels. After the completion of this offering, the amount of the operation and maintenance expenses relating to each of the Vessels payable by each of the Project Companies will be capped pursuant to the Guarantor Accounts Agreement. The Project Companies will only be permitted to require additional funds for the payment of operating expenses from each of the Project Companies' Offshore Distribution Holding Account, in accordance with the Guarantor Accounts Agreement. See "—Expected Cash Flow for the Project—Operation and Maintenance Expenses" and "Business—Vessel Operations—Operation and Maintenance Expenses." Operation and maintenance expenses with respect to each Vessel exceeding the amount of such cap are required to be borne by the Operator.

Finance Income. The Project Companies' finance income consists primarily of supplier discounts recorded as finance income and exchange rate variations.

Finance Costs. The Project Companies' finance costs consist primarily of interest due on the intercompany notes, in the case of the ODN Project Company and the Norbe VI Project Company, and the ODN Tay IV Existing Project Finance Obligations, in the case of the ODN Tay IV Project Company. See "—Indebtedness" and "—Summary of ODN Tay IV Existing Project Finance Obligations" for a description of the ODN Tay IV Existing Project Finance Obligations.

Results of Operations

The Norbe VI Project Company was established on June 16, 2010, the ODN Project Company was established on December 18, 2008 and the ODN Tay IV Project Company was established on October 11, 2010. The Norbe VI Drilling Rig, the ODN I Drillship, the ODN II Drillship and the ODN Tay IV Drilling Rig each began operating in July 2011, September 2012, August 2012 and March 2013. The financial information discussed below is based on the combined financial information of the Project Companies as of December 31, 2013 and for the year then ended

(which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011).

Year Ended December 31, 2013 Compared to Year Ended December 31, 2012

Revenue

Combined revenue of the Project Companies increased U.S.$216.3 million, or 100%, from U.S.$216.1 million in the year ended December 31, 2012 to U.S.$432.4 million in the year ended December 31, 2013, primarily due to the inclusion of the results of operations for daily charter hire under the Charter Agreements of each of the ODN I Drillship and ODN II Drillship beginning on September 12, 2012 and August 28, 2012, respectively during 12 months in 2013 compared to only three months in 2012. Additionally, the ODN Tay IV Drilling Rig began operations in March 2013. The ODN Project Company and the Tay IV Project Company did not generate revenue under the respective Charter Agreements until such dates. The increase in revenue was also due in part to the stabilization of up-time operations of the Norbe VI Drilling Rig. For the year ended December 31, 2013, revenue attributable to each of each of the Norbe VI Drilling Rig, the ODN I Drillship, the ODN II Drillship and the ODN Tay IV Drilling Rig amounted to U.S.$68.0 million, U.S.$105.9 million, U.S.$134.4 million and U.S.$124.2 million, respectively. For the year ended December 31, 2012, revenue attributable to each of the Norbe VI Drilling Rig, the ODN I Drillship and the ODN II Drillship amounted to U.S.$63.4 million, U.S.$ 72.5 million and U.S.$80.2 million, respectively. The ODN Tay IV Drilling Rig did not contribute to revenues in the year ended December 31, 2012, because it was not operational until March, 2013.

Costs of services rendered

Combined cost of services rendered for the Project Companies increased U.S.$112.8 million, or 109%, from U.S.$103.9 million in the year ended December 31, 2012 to U.S.$216.7 million in the year ended December 31, 2013, primarily due to the ODN I Drillship and the ODN II Drillship not being in operation during the first nine months of 2012 and the commencement of operations of the ODN Tay IV on March 2, 2013.

Cost of services rendered also increased due to depreciation of all four vessels in 2013 as compared to depreciation of only three vessels in 2012. For the year ended December 31, 2013, cost of services rendered attributable to each of the Norbe VI Drilling Rig, the ODN I Drillship, the ODN II Drillship and the ODN Tay IV Drilling Rig amounted to U.S.$30.3 million, U.S.$69.7 million, U.S.$64.1 million and U.S.$52.6 million, respectively. For the year ended December 31, 2012, cost of services rendered attributable to each of the Norbe VI Drilling Rig, the ODN I Drillship and the ODN II Drillship amounted to U.S.$27.1 million, U.S.$37.1 million and U.S.$ 39.7 million, respectively. The ODN Tay IV Drilling Rig did not contribute to cost of services rendered in the year ended December 31, 2012, because it was not operational until March, 2013.

Finance costs

Combined finance costs for the Project Companies increased U.S.$79.1 million, or 180%, from U.S.$43.9 million in the year ended December 31, 2012 to U.S.$123.0 million in the year ended December 31, 2013, primarily due to the beginning of operations of the ODN I Drillship and the ODN II Drillship on September 12, 2012 and August 28, 2012 respectively and ODN Tay IV on March 2, 2013, which is when finance costs with respect to each Vessel began to be recorded as such costs had been capitalized during the construction phase of each Vessel. For the year ended December 31, 2013, finance costs attributable to each of the Norbe VI Drilling Rig, the ODN I Drillship, the ODN II Drillship and the ODN Tay IV Drilling Rig amounted to U.S.$29.0 million, U.S.$37.3 million, U.S.$37.4 million and U.S.$19.4 million, respectively. For the year ended December 31, 2012, finance costs attributable to each of the Norbe VI Drilling Rig, the ODN I Drillship and the ODN II Drillship amounted to U.S.$12.8 million, U.S.$10.7 million and U.S.$10.8 million, respectively. The ODN Tay IV Drilling Rig did not contribute to finance costs in the year ended December 31, 2012, because it was not operational until March, 2013.

Profit

For the reasons described above, combined profit of the Project Companies increased U.S.$24.4 million, or 35.7%, from U.S.$68.3 million in the year ended December 31, 2012 to U.S.$92.7 million in the year ended March 31, 2013.

Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

Revenue

Combined revenue of the Project Companies increased U.S.$158.9 million, or 277.8%, from U.S.$57.2 million in 2011 to U.S.$216.1 million in 2012, primarily due to the inclusion of the results of operations for daily charter hire under the relevant Charter Agreements of each of the ODN I Drillship and the ODN II Drillship as from September 12, 2012 and August 28, 2012, respectively as compared to no results of operations for the Drillships in 2011 as well as the inclusion of a full year of results of operations for daily charter hire under the Charter Agreement for the Norbe VI Drilling Rig in 2012 as compared to approximately six months of operations in 2011. For the year ended December 31, 2012, revenue attributable to each of the Norbe VI Drilling Rig, the ODN I Drillship and the ODN II Drillship amounted to U.S.$63.4 million, U.S.$72.5 million and U.S.$80.2 million, respectively. For the year ended December 31, 2011, revenue attributable to the Norbe VI Drilling Rig was U.S.$57.2 million. The ODN I Drillship and the ODN II Drillship did not contribute to revenues in the year ended December 31, 2011, because they were not operational until September 2012 and August 2012, respectively. The ODN Tay IV Drilling Rig did not contribute to revenues in the years ended December 31, 2012 or December 31, 2011, because it was not operational until March 2013.

Costs of services rendered

Combined cost of services rendered for the Project Companies increased U.S.$98.6 million, from U.S.$5.3 million in 2011 to U.S.$103.9 million in 2012, primarily due to the commencement of operations of the ODN I and ODN II Drillships in the second half of 2012 and the recording of depreciation for each of the ODN I and ODN II Drillships and the Norbe VI Drilling Rig in 2012 (the full year for the Norbe VI Drilling Rig and beginning as of September 12, 2012 and August 28, 2012, respectively, in the case of the ODN I Drillship and the ODN II Drillship) as compared to depreciation of only the Norbe VI Drilling Rig in 2011. For the year ended December 31, 2012, cost of services rendered attributable to each of the Norbe VI Drilling Rig, the ODN I Drillship and the ODN II Drillship amounted to U.S.$27.1 million, U.S.$37.1 million and U.S.$39.7 million, respectively. For the year ended December 31, 2011, cost of services rendered attributed to the Norbe VI Drilling rig was U.S.$5.3 million. The ODN I Drillship and the ODN II Drillship did not contribute to cost of services rendered in the year ended December 31, 2011, because they were not operational until September 2012 and August 2012, respectively. The ODN Tay IV Drilling Rig did not contribute to cost of services rendered in the years ended December 31, 2012 or December 31, 2011, because it was not operational until March 2013.

Finance costs

Combined finance costs for the Project Companies increased U.S.$31.8 million, from U.S.$12.2 million in 2011 to U.S.$43.9 million in 2012, primarily due to the commencement of operations of each of the ODN I Drillship and the ODN II Drillship on September 12, 2012 and August 28, 2012, respectively, which is when finance costs with respect to each Vessel began to be recorded because such costs had been capitalized during the construction phase of each Vessel. Finance costs also increased due to the inclusion of a full year of finance costs for the Norbe VI Drilling Rig in 2012 as compared to approximately six months in 2011. For the year ended December 31, 2012, finance costs attributable to each of the Norbe VI Drilling Rig, the ODN I Drillship and the ODN II Drillship amounted to U.S.$22.5 million, U.S.$10.7 million and U.S.$10.8 million, respectively. For the year ended December 31, 2011, finance costs attributable to the Norbe VI Drilling Rig amounted to U.S.$12.2 million. The ODN I Drillship and the ODN II Drillship did not contribute to finance costs in the year ended December 31, 2011, because they were not operational until September 2012 and August 2012, respectively. The ODN Tay IV Drilling Rig did not contribute to finance costs in the years ended December 31, 2012 or December 31, 2011, because it was not operational until March 2013.

Profit

For the reasons described above, combined profit of the Project Companies increased U.S.$28.6 million, or 72.0%, from U.S.$39.7 million in 2011 to U.S.$68.3 million 2012.

Off-Balance Sheet Arrangements

The Project Companies do not have any special purpose or limited purpose entities that provide off-balance sheet financing, liquidity or market or credit risk support, and have not engaged in hedging, research and development services or other relationships that expose the Project Companies to liability that is not reflected in

their combined financial statements. Upon application of the proceeds of the new notes in connection with the First Note Proceeds Utilization pursuant to the terms of the indenture, ODN Tay IV GmbH will be released from the ODN Tay IV Existing Project Finance Obligations and the obligations under all related hedging agreements. After the completion of this offering, the Project Companies will not be permitted to enter into hedging transactions. See "Description of Notes—Certain Covenants—Incurrence of Indebtedness and Issuance of Disqualified Stock."

Liquidity and Capital Resources

Liquidity is a measure of the ability to meet potential cash requirements, including ongoing commitments to repay borrowings, construct and maintain the Vessels and to meet the Project Companies' obligations and other general business needs. The Project Companies sole sources of funds will consist of loans made by the Issuer with the proceeds from the issuance of the initial notes, loans to be made by the Issuer with the proceeds from the issuance of the new notes, payments under the Charter Agreements, any additional equity contributions from shareholders and cash generated from the Vessels' operations. As of December 31, 2013, the Project Companies had negative working capital of U.S.$156.0 million, compared to negative working capital of U.S.$100.1 million as of December 31, 2012, primarily due to the payment of principal and interest on (1) the Existing Project Finance Obligations based on a semi-annual payment schedule (until the release of the ODN Project Company and the Norbe VI Project Company therefrom upon the issuance of the initial notes), (2) the ODN Tay IV Existing Project Finance Obligations based on a semi-annual payment schedule and (3) the intercompany notes issued by the ODN Project Company and the Norbe VI Project Company. Based on cash flow projections related to the Charter Agreements, upon the completion of this offering, we believe that the Project Companies can generate sufficient positive cash flow to repay the initial notes and the new notes to achieve positive working capital.

Dividend Distributions

On April 8, August 9, and December 16, 2013, the ODN Project Company paid dividends to ODN Holding GmbH in the amounts of U.S.$37.6 million, U.S.$46.8 million and U.S.$5.6 million, respectively. On August 9, 2013 and December 18, 2013, the Norbe Six Project Company paid dividends to OOG GmbH in the amounts of U.S.$178.5 million and U.S.$37.9 million respectively. With retained earnings of U.S.$38.7 million at December 31, 2012, and profit for the year of U.S.$92.7 million in 2013, the total dividend payments of U.S.$306.4 million in 2013 contributed to accumulated losses of U.S.$175.1 million at December 31, 2013.

The Notes

In July 2013, we issued the initial notes in the aggregate principal amount of U.S.$1,690 million. The proceeds of the initial notes were used in part to satisfy the then-existing indebtedness of the ODN Project Company and the Norbe VI Project Company in the aggregate amount of U.S.$1.2 billion, and in part to pay the expenses in connection with such offering, with the balance distributed as a dividend to the shareholders of the ODN Project Company and the Norbe VI Project Company to be used for general corporate purposes.

The Issuer will issue up to U.S.$580 million aggregate principal amount of new notes in this offering. The initial notes are and the new notes will be fully and unconditionally guaranteed on a senior secured basis by the Project Companies. Other than the foregoing, none of the other Odebrecht Group companies will provide any collateral in support of the initial notes and the new notes, and the holders of the notes will not have any recourse to any of the Odebrecht Group companies (other than the Issuer and the Project Companies) or any recourse to any assets of any of the Odebrecht Group companies (other than assets pledged by the Issuer, the Project Companies and the Operator pursuant to the Security Documents). See "Description of Notes."

Intercompany Loans

The Issuer made intercompany loans to the ODN Project Company and the Norbe VI Project Company, which are evidenced by intercompany notes, which have an aggregate principal amount equal to the aggregate principal amount of the initial notes and economic terms substantially the same as the initial notes. The principal amount of the intercompany notes is equal to the gross proceeds of the initial notes.

The Issuer will issue the new notes and make intercompany loans to the ODN Tay IV Project Company, which will be evidenced by the ODN Tay IV Intercompany Notes, having an aggregate principal amount equal to the aggregate principal amount of the new notes and economic terms substantially the same as the new notes. The ODN Tay IV Intercompany Notes will be funded using all of the gross proceeds from the issuance of the new notes. The principal amount of the ODN Tay IV Intercompany Notes will be equal to the gross proceeds of the new notes. The

proceeds of the new notes will be used to release (or cause the release of) the ODN Tay IV Project Company from the ODN Tay IV Existing Project Finance Obligations, to fund the Offshore Sinking Fund Account, to pay certain Project Costs (as defined in the supplemental indenture) and for general corporate purposes of the ODN Tay IV Project Company, which may include making distributions or loans to the Operator or any of its affiliates.

Indebtedness

As of December 31, 2013, the Project Companies' indebtedness on a combined basis amounted U.S.$2,071 million, of which U.S.$1,673.3 million were related to intercompany loans made by the Issuer in connection with the issuance of the initial notes and U.S.$397.6 million related to the ODN Tay IV Existing Project Finance Obligations. The proceeds of the new notes will be used to release ODN Tay IV Project Company from the ODN Tay IV Existing Project Finance Obligations. For accounting purposes, U.S.$132.5 million with respect to indebtedness incurred by the ODN Project Company and the Norbe VI Project Company and U.S.$4.8 million with respect to indebtedness incurred by the ODN Tay IV Project Company were recorded as transaction costs, reducing the balance of the indebtedness incurred by the ODN Project Company, Norbe VI Project Company and the ODN Tay IV Project Company accounted for under financings.

Release of ODN Tay IV Project Company from the ODN Tay IV Existing Project Finance Obligations and Application of Remaining Proceeds

The new note proceeds will be released from escrow in two steps: (1) the first portion of the proceeds of the new notes will be used to cause the release the ODN Tay IV Project Company from the ODN Tay IV Existing Project Finance Obligations, to fund the Offshore Sinking Fund Account, and to pay certain Project Costs and will be released upon delivery to the Collateral Agent of certain certificates and legal opinions of counsel to the Issuer to the effect that, upon the release of the ODN Tay IV Project Company from all of the ODN Tay IV Existing Project Finance Obligations, all Liens on the ODN Tay IV Existing Project Finance Collateral will be released or assigned to the Collateral Agent and (2) the second portion of the proceeds of the new notes will be designated for the general corporate purposes of the ODN Tay IV Project Company (which may include making distributions or loans to the Operator or any of its affiliates) and will be released upon delivery to the Collateral Agent of certain certificates and legal opinions of counsel to the Issuer to the effect that the ODN Tay IV Project Company has been released from all of the ODN Tay IV Existing Project Finance Obligations and that the Secured Parties have the benefit of an effective first priority Lien over the Collateral. See "Description of Notes—Accounts—Issuer's Accounts" and "Certain Covenants—Use of Proceeds."

Summary of ODN Tay IV Existing Project Finance Obligations

The credit agreement currently in effect to fund the project costs of the ODN Tay IV Drilling Rig was entered into on December 22, 2011 among ODN Tay IV GmbH, as borrower, various financial institutions, as lenders, BNP Paribas S.A., as Administrative Agent, BNP Paribas S.A., as Collateral Trustee, and HSBC Bank USA, National Association, BNP Paribas S.A. and Banco Santander (Brasil), S.A., Grand Cayman Branch, as Joint Lead Arrangers, or the ODN Tay IV Credit Facility. The ODN Tay IV Credit Facility had an original principal aggregate amount of U.S.$470 million.

The ODN Tay IV Credit Facility contains customary affirmative and negative covenants, including a financial covenant whereby the ratio of cash flow to debt service may not be less than 1.20:1.00 for distribution purposes and a breach of covenant if the ratio of cash flow to debt service is less than 1.10:1.00. The ODN Tay IV Credit Facility contains certain customary events of default, including, without limitation, failure to make payments, breaches of covenants, breaches of representations, warranties and certifications, certain monetary and non-monetary judgments, change of control and bankruptcy events. In the event of default, the lenders may choose to accelerate repayment of borrowings under the ODN Tay IV Credit Facility and other Financing Documents.

During the period from December 22, 2011 until the date of this offering circular, we requested and received a total of nine waivers under the ODN Tay IV Credit Facility. On each of July 9, 2012, September 17, 2012, December 26, 2012 and March 21, 2013, we requested and received various waivers in connection with delays in the commercial operation date of the ODN Tay IV Drilling Rig. These included waivers, in addition to the waiver in connection with the delays in the commercial operation date, in connection with the compliance of the required debt service coverage ratio levels for the relevant periods, repayment obligations due on the first repayment date and compliance with hedging agreement minimum requirements, as well as an amendment of the applicable margin required to be maintained. We again requested a waiver in connection with the compliance with debt service coverage ratio levels on December 10, 2013, as a result of cash flow constraints resulting from downtime of the

ODN Tay IV Drilling Rig. We also requested and received waivers with respect to insurance claim settlements, transfers of funds between accounts and to parties other than as expressly permitted under the ODN Tay IV Credit Facility, and other minor obligations such as entry into of additional and amendment of existing project documents, delivery of conditions subsequent and compliance with notice periods.

As of December 31, 2013, the ODN Tay IV Project Company had U.S.$398 million of principal outstanding under the ODN Tay IV Credit Facility.

Expected Cash Flow for the Project

Revenues

The chartering and operation of the Vessels will benefit from the following anticipated revenue streams:

Offshore Charter Payments. Offshore charter payments are the payments to be made to the Project Companies under the Charter Agreements for the ten- and initial seven-year term of such agreements, based on the availability of the Vessels, at an original day rate of U.S.$328,500 per day for the ODN I Drillship and ODN II (currently U.S.$331,785 per day), U.S.$179,880 per day for Norbe VI (currently U.S.$192,472 per day) and U.S.$315,000 per day for ODN Tay IV (currently U.S.$340,200 per day). The offshore charter payments are calculated by multiplying the day rate for each Vessel by the availability of such Vessel expressed as a percentage of the number of days of availability in the applicable period. The day rate for each Drillship Charter Agreement will be adjusted by 20% of the CPI after the first four years and every two years thereafter. The day rate for the Norbe VI Charter Agreement and the ODN Tay IV Charter Agreement will be adjusted by 100% of the CPI every four years. Offshore charter payments are payable outside of Brazil, in U.S. Dollars.

Onshore Service Payments. Onshore service payments are the payments to the Operator under the Services Agreements for the ten- and initial seven-year term of such agreements based on the availability of the Vessels, at an original rate of R$268,669 per day for the Norbe VI Drilling Rig (currently R$335,970 per day) , an original rate of R$62,189 per day for each of the ODN I Drillship and the ODN II Drillship (currently R$77,462 per day) and an original rate of R$63,378 per day for ODN Tay IV (currently R$82,245 per day). These payments are made monthly and are calculated by multiplying the day rate for each Vessel by the availability of such Vessel expressed as a percentage of the number of days of availability in the applicable period. The day rate under each Services Agreement is adjusted annually according to a formula, as amended in 2012, based on a basket of indices, 50% of which is composed of the INPC, 20% of which is composed of the IPA and 30% of which is composed of the fluctuation of the U.S. Dollar-*real* exchange rate during the applicable period. See "Description of Principal Transaction Documents—Services Agreements." The onshore service payments for our domestic labor force will be reduced by 11% so as to cover Brazilian social security taxes. Onshore service payments are payable in Brazil, in *reais*.

Performance Bonus. Pursuant to the Charter Agreements and Services Agreements, Petrobras is required to pay a bonus fee to the ODN Project Company and the Operator, respectively, of up to 10% of the day rate under the applicable Charter Agreement and Services Agreement, as the case may be, for any given time period when either of the Drillships is at least 93% available to Petrobras. Pursuant to the Norbe VI Charter Agreement and Services Agreement, Petrobras is required to pay a bonus fee to the Norbe VI Project Company and the Operator, respectively, of up to 15% of the day rate under the applicable Charter Agreement and Services Agreement, as the case may be, for any given time period when the Norbe VI Drilling Rig is at least 90.14% available to Petrobras. Pursuant to the ODN Tay IV Charter Agreement and Services Agreement, Petrobras is required to pay a bonus fee to the ODN Tay IV Project Company and the Operator, respectively, of up to 15% of the day rate under the applicable Charter Agreement and Services Agreement, as the case may be, for any given time period when the ODN Tay IV Drilling Rig is at least 90.14% available to Petrobras.

The performance bonus is calculated by multiplying the day rate under the applicable Charter Agreement or Services Agreement by an adjusted availability calculation and by the applicable bonus percentage. The performance bonus under the Charter Agreements is payable to the Project Companies outside of Brazil, in U.S. Dollars. The performance bonus under the Services Agreements is payable to the Operator in Brazil, in *reais*, and will be reduced by 11% to cover Brazilian social security taxes.

Operation and Maintenance Expenses

The operation and maintenance expenses payable in connection with each Vessel by the Project Companies have been (and in the case of the ODN Tay IV Project Company, will be upon the completion of this offering) capped at an amount calculated by multiplying the amount of daily operating expenditures specified in the Guarantor Accounts Agreement by the number of days of the applicable period. The Project Companies will only be permitted to require additional funds for the payment of operating expenses from each of the Project Companies' Offshore Distribution Holding Account, in accordance with the Guarantor Accounts Agreement. The revenues received by the Operator under the Services Agreements will be used to pay operation and maintenance expenses, and any outstanding balance of operating expenditures is expected to be covered by revenues received by the Project Companies under the Charter Agreements, subject to the limitations discussed above. Operation and maintenance expenses with respect to each Vessel exceeding such capped amount are required to be borne by the Operator. The chart below sets forth the amounts of the daily operating expenditures for each Vessel to be used for the calculation of the capped amount of operation and maintenance expenses payable by the Project Companies, as set forth in the Guarantor Accounts Agreement, during the term of the Charter Agreements and the Services Agreements:

Period	Daily capped operating expenditures Per Guarantor Accounts Agreements
	(in U.S.$ thousands)
Issue Date – December 31, 2014	149
January 1, 2015 – December 31, 2015	153
January 1, 2016 – December 31, 2016	159
January 1, 2017 – December 31, 2017	165
January 1, 2018 – December 31, 2018	170
January 1, 2019 – December 31, 2019	174
January 1, 2020 – December 31, 2020	180
January 1, 2021 – December 31, 2021	186
January 1, 2022 – Maturity Date	194

Debt Service

The debt service in connection with the Project will consist of interest and principal under the notes, payable quarterly (for a description of the payment terms of the new notes, see "Description of Notes—Basic Terms of New Notes"). The chart below sets forth the principal amortization of the notes, assuming the aggregate principal amount of the new notes will be U.S.$580 million and the combined amortization profile of the new notes and the initial notes, assuming a combined aggregate principal amount of up to U.S.$2,270 million.

	Amount (in U.S.$ thousands)		
	Initial Notes	New Notes	Combined
	1,690,000	580,000	2,270,000
Payment Date	Amortization		
December 1, 2013	1.54%	0.00%	1.15%
March 1, 2014	1.17%	0.00%	0.87%
June 1, 2014	0.87%	1.11%	0.93%
September 1, 2014	1.05%	1.28%	1.11%
December 1, 2014	1.12%	1.37%	1.18%
March 1, 2015	1.24%	1.34%	1.27%
June 1, 2015	1.10%	0.11%	0.85%
September 1, 2015	1.30%	1.37%	1.32%
December 1, 2015	1.35%	1.53%	1.40%
March 1, 2016	1.32%	1.65%	1.40%
June 1, 2016	1.20%	1.60%	1.30%
September 1, 2016	1.19%	1.55%	1.28%
December 1, 2016	1.43%	1.61%	1.48%
March 1, 2017	1.43%	1.62%	1.48%
June 1, 2017	1.22%	1.42%	1.27%
September 1, 2017	1.42%	1.61%	1.47%

	Amount (in U.S.$ thousands)		
	Initial Notes	**New Notes**	**Combined**
	1,690,000	**580,000**	**2,270,000**
Payment Date	**Amortization**		
December 1, 2017	1.47%	1.67%	1.52%
March 1, 2018	1.50%	1.69%	1.55%
June 1, 2018	1.31%	1.49%	1.36%
September 1, 2018	0.98%	1.68%	1.16%
December 1, 2018	1.29%	1.61%	1.37%
March 1, 2019	2.04%	0.68%	1.69%
June 1, 2019	1.83%	0.67%	1.53%
September 1, 2019	2.05%	1.59%	1.93%
December 1, 2019	2.13%	1.99%	2.09%
March 1, 2020	2.12%	2.24%	2.15%
June 1, 2020	2.00%	2.01%	2.00%
September 1, 2020	2.18%	2.15%	2.17%
December 1, 2020	2.26%	2.67%	2.36%
March 1, 2021	2.28%	0.91%	1.93%
June 1, 2021	2.07%	2.66%	2.22%
September 1, 2021	2.29%	2.79%	2.42%
December 1, 2021	2.39%	3.00%	2.55%
March 1, 2022	2.40%	2.48%	2.42%
June 1, 2022	2.18%	2.81%	2.34%
October 1, 2022	3.28%	4.04%	3.47%
Total	**40.00%**	**40.00%**	**40.00%**

Combined Historical Debt Service Coverage Ratio

Pursuant to the indenture, the Combined Historical Debt Service Coverage Ratio is calculated by dividing (1) Combined Cash Flow (as defined in the indenture) for such period by (2) Debt Service (as defined in the indenture) for such period.

BUSINESS

Overview

Odebrecht Oil & Gas owns, indirectly through a subsidiary, and operates the Norbe VI Drilling Rig, an ultra-deepwater dynamic positioning semi-submersible platform. The Norbe VI Drilling Rig has been operational since July 2011, under initial seven-year charter and services agreements with Petrobras (renewable for up to seven additional years upon mutual agreement of the parties) and is currently positioned in the Roncador field in the Campos Basin. In addition, Delba was awarded in 2008 by Petrobras, through an international public bidding process, the right to charter and operate two dynamically positioned ultra-deepwater drillships (Delba VII and VIII, later designated ODN I and ODN II) under ten-year charter and services agreements (each renewable for up to an additional ten years upon mutual agreement of the parties).The ODN I Drillship began operating in September 2012, and the ODN II Drillship began operating in August 2012. The ODN I Drillship and the ODN II Drillship are located in the Caratinga field, in the Campos Basin and Franco NE field, in the Santos Basin. In 2010, the Charter Agreements for the leasing of the ODN I Drillship and the ODN II Drillship were assigned from Delba to ODN I GmbH, an indirect subsidiary of the Operator. In 2012, the Services Agreements for the operation of the ODN I Drillship and the ODN II Drillship were assigned from ODN I Perfurações to the Operator. The ODN Tay IV Drilling Rig has been operational since March 2013, under seven-year charter and services agreements with Petrobras (renewable for up to seven additional years upon mutual agreement of the parties) and is currently positioned in Albacora Leste field, in the Campos Basin. In 2011, the Charter Agreement for the leasing of the ODN Tay IV Drilling Rig was assigned from Delba to ODN Tay IV GmbH, an indirect subsidiary of the Operator. In 2011, the Services Agreement for the operation of the ODN Tay IV Drilling Rig was assigned from Delba Serviços to the Operator. The Operator has formed three special purpose companies, the ODN Project Company, to act as owner of the Drillships, the Norbe VI Project Company, to act as owner of the Norbe VI Drilling Rig and the ODN Tay IV Project Company, to act as owner of the ODN Tay IV Drilling Rig. Delba indirectly owns 40% of the shares in the ODN Project Company and 31.5% of the ODN Tay IV Project Company.

The Issuer

The Issuer, Odebrecht Offshore Drilling Finance Limited, is a wholly-owned subsidiary of the Project Companies (as of the date of this offering circular, 50.18% held by the ODN Project Company, 24.27% held by the Norbe VI Project Company and 25.55% held by the ODN Tay IV Project Company. The Issuer was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on May 23, 2013. In July 2013, the Issuer issued the initial notes in the aggregate principal amount of U.S.$1,690 million. The initial notes were used to satisfy the then-existing debt obligations of the ODN Project Company and the Norbe VI Project Company and for general corporate purposes of such Project Companies and Odebrecht Oil and Gas. The initial notes and the new notes were and will be issued pursuant to the same general terms and conditions, including covenants and collateral package except for the interest rate and the amortization profile. See “Description of Notes.” The proceeds of the new notes will be used by the Issuer to make intercompany loans to the ODN Tay IV Project Company to cause the release of the ODN Tay IV Project Company from all Existing Project Finance Obligations (see “Use of Proceeds”), to pay costs and expenses incurred or to be incurred by the Project Companies in connection with this offering, to fund the Offshore Sinking Fund Account pursuant to the terms of the Guarantor Accounts Agreement and for general corporate purposes of the ODN Tay IV Project Company, which may include making distributions or loans to the Operator or any of its affiliates. These intercompany loans will be evidenced the ODN Tay IV Intercompany Notes, having an aggregate principal amount equal to the aggregate principal amount of the new notes and economic terms substantially the same as the new notes. The proceeds of the new notes will be deposited into the Note Proceeds Account (as defined in the “Description of Notes”), which will be pledged to the Collateral Agent for the benefit of the holders of the new notes to secure payment of the principal, the premium, if any, and interest on the new notes. The note proceeds will be released from the Note Proceeds Account in two steps. The first portion of the proceeds of the new notes will be used to cause the release of the ODN Tay IV Project Company from all Existing Project Finance Obligations, to pay certain costs and expenses in connection with this offering and to fund the Offshore Sinking Fund Account and will be released upon delivery to the Collateral Agent of certain certificates and legal opinions of counsel to the Issuer to the effect that, upon the release of the ODN Tay IV Project Company from all ODN Tay IV Existing Project Finance Obligations, all Liens (as defined in the “Description of Notes”) on the ODN Tay IV Existing Project Finance Collateral (as defined in the “Description of Notes”)will be fully released or assigned to the Collateral Agent. The remaining portion of the proceeds of the new notes will be used for the general corporate purposes of the ODN Tay IV Project Company (which may include making distributions or loans to the Operator or any of its affiliates) and will be released upon delivery to the Collateral Agent of certain

certificates and legal opinions of counsel to the Issuer to the effect that the Project Companies have been released from the Existing Project Finance Obligations and that the Secured Parties (as defined in the "Description of Notes") have the benefit of an effective first priority Lien over the Collateral (as defined in the "Description of Notes"). See "Description of Notes—Accounts—Issuer's Accounts—Note Proceeds Account." The only assets of the Issuer are and will continue to be the promissory notes evidencing the intercompany loans owed to it by the Project Companies and its only indebtedness is and will continue to be its obligations under the initial notes and the new notes.

The Project Companies

The Project Companies are Austrian limited liability companies and indirect subsidiaries of the Operator, established, respectively, on June 16, 2010 in the case of the Norbe VI Project Company, December 18, 2008 in the case of the ODN Project Company and October 11, 2010 in the case of the ODN Tay IV Project Company. The Project Companies were formed solely for the purpose of financing, constructing, owning and chartering the Vessels. The Charter Agreements (as defined herein) were entered into, in the case of the Norbe VI Drilling Rig, on September 15, 2006 between Petrobras and COU, assigned by COU to ODS and later assigned to the Norbe VI Project Company, in the cases of the ODN I Drillship and the ODN II Drillship, on July 25, 2008 between Petrobras and Delba, and later assigned by Delba to the ODN Project Company and in the case of the ODN Tay IV Drilling Rig, on April 18, 2008 between Petrobras and Delba, and later assigned to the ODN Tay IV Project Company. The Charter Agreement in respect of the Norbe VI Drilling Rig has an initial seven-year term that commenced on July 14, 2011, each Charter Agreement in respect of the Drillships has a ten-year term that commenced on September 12, 2012 in the case of the ODN I Drillship and on August 28, 2012 in the case of the ODN II Drillship and the Charter Agreement in respect of the ODN Tay IV Drilling Rig has a seven-year term that commenced on March 2, 2013. The Charter Agreement in respect of the Norbe VI Drilling Rig was originally scheduled to expire on July 11, 2018 has been extended to March 27, 2019 as a result of a unilateral extension exercised by Petrobras pursuant to a provision in the Charter Agreement that allows for an unilateral extension by Petrobras as a result of certain instances of downtime, and is renewable for up to an additional seven years upon mutual agreement of the parties. The Charter Agreements in respect of the ODN I Drillship and the ODN II Drillship will expire on September 10, 2022 and August 26, 2022, respectively, and each is renewable for up to an additional ten years upon mutual agreement of the parties. The Charter Agreement in respect of the ODN Tay IV Drilling Rig will expire on February 29, 2020 and is renewable for up to an additional seven years upon mutual agreement of the parties. See "Description of Principal Transaction Documents—Charter Agreements."

The Project Companies' registered address is: Neulingasse 29/18, 1030 Wein, Austria.

The Project Companies' principal address is: Odebrecht Perfurações Ltda., 10 andar, Rua da Gloria, Rio de Janeiro, 20241-180, Brazil.

The Operator

Odebrecht Oil & Gas, in its capacity as the operator under the Services Agreements, is operating the Norbe VI Drilling Rig off the coast of Brazil under an initial seven-year Services Agreement with Petrobras with an optional extension for up to seven additional years upon mutual agreement of the parties, is operating the Drillships off the coast of Brazil under ten-year Services Agreements with Petrobras, each with an optional extension for up to ten additional years upon mutual agreement of the parties and is operating the ODN Tay IV Drilling Rig off the coast of Brazil under a seven-year Services Agreement with Petrobras with an optional extension for up to seven additional years upon mutual agreement of the parties. The Services Agreement in respect of the Norbe VI Drilling Rig was originally scheduled to expire on July 11, 2018 but has been extended to March 27, 2019 as a result of a unilateral extension exercised by Petrobras. The Services Agreements in respect of the ODN I Drillship and the ODN II Drillship will expire on September 10, 2022 and August 26, 2022, respectively. The Services Agreement in respect of the ODN Tay IV Drilling Rig will expire on February 29, 2020. The Operator is a leading Brazilian oilfield services company focused on providing integrated solutions to its clients in the exploration, development and production of offshore oil and gas fields. The Operator is part of the Odebrecht Group, which has been active as a general service provider for the oil and gas industry for nearly 60 years. The Operator's operations include the following services:

- **Offshore Drilling**. The Odebrecht Group has been operating in this segment since 1979. As of 2006, the Operator has been focused on deep- and ultra-deepwater drilling rig operations. Currently, the Operator operates seven ultra-deepwater rigs for Petrobras. Three of these rigs have been operating since the second half of 2011: the Norbe VI Drilling Rig, which began operating in July 2011; Norbe VIII, which began operating in August 2011 and Norbe IX, which began operating in November 2011. Three other rigs started operations in the second half of 2012: ODN Delba III Drilling Rig and the ODN II Drillship in August 2012 and the ODN I Drillship in September 2012. The last rig to begin operations was ODN Tay IV, which began operating in March 2013. All of these rigs are chartered to Petrobras under initial seven- to ten-year contracts. The Operator has also entered into a partnership with Sete Brasil pursuant to which subsidiaries of Sete Brasil in which the Operator indirectly holds 15% of the shares are having five ultra-deepwater rigs constructed. These rigs will be built in Brazil, and the first of these is expected to start operations in 2016. All five of these rigs have been chartered to Petrobras for 15-year terms and they will be operated by the Operator pursuant to 15-year term services agreements. As of December 31, 2013, the total backlog to the Operator and its affiliated companies represented by these charters and services agreements amounted to approximately U.S.$9.1 billion. See "Presentation of Financial and Other Information—Calculation of Backlog."

- **Offshore Production Platforms**. The Operator charters and operates FPSOs and other oil and gas production facilities to its clients, in addition to managing the conversion of these units. FPSOs are a common deepwater production option in Brazil and use technology that major oil companies have expertise with and operating experience. The Operator, through its wholly-owned subsidiary OOSL has a 50/50 joint venture partnership with Maersk in NSPC for the operation of an FPSO. This NSPC joint venture has successfully operated this FPSO since 1997 and is currently contracted through 2020. The Operator also has a 50/50 joint venture partnership with Teekay for CDI and the charter and operation thereof. CDI began operations in February 2013 under a nine-year contract with Petrobras, with annual optional renewals by any party for up to six years. As of December 31, 2013, the total backlog to the Operator and its affiliated companies represented by these contracts amounted to approximately U.S.$433.3 million. See "Presentation of Financial and Other Information—Calculation of Backlog."

- **Maintenance and Modification Services**. The Operator engages in offshore maintenance and modification services for platforms. These services include engineering, fabrication, installation, commissioning, start-up, preventive and corrective maintenance, shutdown planning and execution and systems revamp. The Operator currently provides maintenance and modification services to Petrobras, through contracts to service certain of its production and drilling platforms in the Campos Basin; and to Shell and Statoil/Maersk for two production platforms and one FPSO. As of December 31, 2013, the total backlog to the Operator represented by these contracts amounted to approximately U.S.$418.5 million. See "Presentation of Financial and Other Information—Calculation of Backlog."

- **Subsea**. The Operator is the first Brazilian company to invest in the subsea market. Its focus within the subsea area is on investments in pipe laying support vessels for long-term charter and construction and installation of rigid and flexible subsea pipelines. The Operator has been involved in three projects. The first project, entered into in November 2010 and concluded in January 2013 for a total amount of approximately U.S.$250 million, was an agreement to install, in partnership with Subsea 7 (formerly known as Acergy), a rigid pipeline for Petrobras's Sul Norte Capixaba Project. The second project is for the charter and operation of two PLSVs under a 50/50% joint venture partnership with Technip. These two PLSVs are being built in South Korea by DSME and are expected to start operations in October 2014 and April 2015. In 2013 the Operator was awarded a contract to operate a 270 ton, ultra-deep water (3,000m) DP3 PLSV for Petrobras in Brazil, for a period of one year. As of December 31, 2013, the total backlog to the Operator and its affiliated companies represented by these contracts amounted to approximately U.S.$524.9 million. See "Presentation of Financial and Other Information—Calculation of Backlog."

The Odebrecht Group

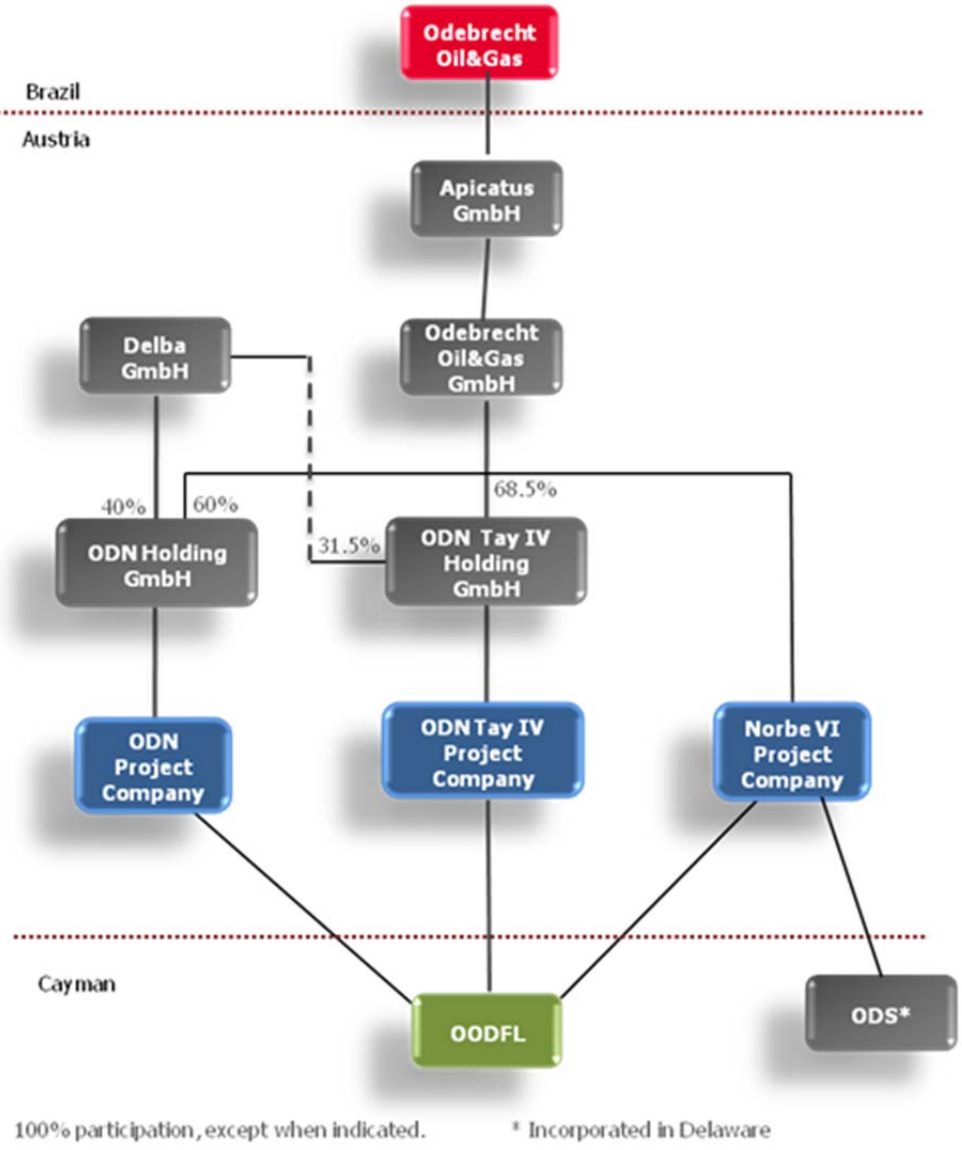
Founded in 1944, the Odebrecht Group is one of Latin America's largest corporate groups, active across various industries, including engineering and construction, chemicals and petrochemicals, oil and gas services, ethanol and bioenergy, real estate development and construction, real estate investment and management, water, sewage and waste management, integrated defense systems, shipbuilding, energy investments, infrastructure investments and roads and logistics concessions. According to the latest available report from the *Valor Econômico* newspaper, as of 2012, the Odebrecht Group was Brazil's third-largest privately owned group, with ownership of a leading Latin American engineering and construction company with a presence in Africa. It owns Brazil's largest private water and sewage treatment company. It operates in the real-estate segment focused on low-income households and selective luxury developments. And it provides integrated services to the upstream oil and gas industry.

In the 1950s and 1960s, the Odebrecht Group constructed numerous refineries, terminals and pipelines. In the late 1970s, the Odebrecht Group started offshore drilling operations and between 1979 and 2001, it operated 13 rigs, of which five were owned by the Odebrecht Group, and constructed offshore production platforms and was the first Brazilian private enterprise to drill offshore in Brazil. In the 1990s, the Odebrecht Group expanded its drilling operations to offshore deepwater, among others, in the Campos Basin and established a presence in oil production in the North Sea, owning and operating an FPSO jointly with Maersk. Today, the Odebrecht Group is focused on the integrated oilfield services industry through the Operator, which became a separate company in 2006, and is pursuing promising opportunities primarily in Brazil and Angola. For its excellence in quality, safety and environmental standards, the Operator has been awarded Petrobras's "Gold Award" multiple times.

The Odebrecht Group has developed a strong relationship with Petrobras over the past 60 years. Petrobras has been one of the most important clients of CNO, the engineering and construction company of the Odebrecht Group. In the late 1970s, Odebrecht S.A. was the first Brazilian private enterprise to drill an oil field off the Brazilian coast, and thereafter, Petrobras became the primary client of its drilling business. The Odebrecht Group has more drilling rigs contracted to Petrobras than any other company or group. In addition, Petrobras holds a 36.2% equity interest in Braskem, the petrochemical company of the Odebrecht Group, and has been the primary supplier of the main raw materials used by Braskem since its formation. The Operator is committed to maintaining the Odebrecht Group's strong relationship with Petrobras by continuing to provide high quality integrated oilfield services.

Corporate Structure

The following chart presents a summary of the organizational structure of the Issuer, the Project Companies and the Operator.



Vessels

NORBE VI

The Norbe VI Drilling Rig was engineered by SBM and built by SBM at IMCC in Abu Dhabi under a turnkey, fixed-price, lump-sum engineering, procurement, and construction contract. The Norbe VI Drilling Rig is a dynamically positioned SBM Gusto MSC TDS 2000 Plus semi-submersible drilling platform, which started operations in July 2011. The Norbe VI Drilling Rig is designed for drilling in ultra-deep water depths of up to 2,400 meters, with a total vertical drilling depth capacity of up to 7,500 meters. The Norbe VI Drilling Rig has a variable deck load of approximately 7,000 metric tons and measures 232 feet by 240 feet (main deck). The Norbe VI Drilling Rig has eight dynamically-positioned Wärtsilä thrusters to maintain the platform positioned at the same location even under severe weather conditions, and a world class blow-out preventer of 15,000 psi. The Norbe VI Drilling Rig is able to accommodate 140 people, and has approximately 76 rotating crew members of the Operator and approximately 50 rotating employees and/or subcontractors of Petrobras and other third parties.

ODN TAY IV

The ODN Tay IV Drilling Rig was converted into a semi-submersible drilling rig by Keppel Fels in 1999 in Singapore under an engineering, procurement, and construction contract. The ODN Tay IV Drilling Rig is a dynamically positioned Friede & Goldman L-767C Enhanced Pacesetter ultra-deepwater semi-submersible drilling rig, which started operations in March 2013. According to the applicable Independent Engineer Report, the ODN Tay IV Drilling Rig is designed for drilling in ultra-deep water depths of up to 2,400 meters, with a total vertical drilling depth capacity of up to 9,100 meters. The ODN Tay IV Drilling Rig has a variable deck load of approximately 5,500 metric tons and measures 339 feet by 228 feet (main deck). The ODN Tay IV Drilling Rig has eight dynamically-positioned thrusters (four Rolls Royce and four Wärtsilä) to maintain the platform positioned at the same location even under severe weather conditions, and a world class blow-out preventer of 15,000 psi. According to the applicable Independent Engineer Report, the ODN Tay IV Drilling Rig is able to accommodate 150 people. As of December 31, 2013, it had approximately 79 rotating crew members of the Operator and approximately 61 rotating employees and/or subcontractors of Petrobras and other third parties.

The ODN Tay IV Drilling Rig was purchased by Odebrecht Oil and Gas from Stena Tay in 2011, at which time, the ODN Tay IV rig was operating in Nigeria for Total. Prior to the sale to Odebrecht Oil and Gas, the ODN Tay IV Drilling Rig was moved to the Astican yard in Las Palmas, Gran Canaria, where it underwent an upgrade that was part of the conditions of sale, pursuant to which Stena Tay upgraded the rig to meet standards set forth by Petrobras' contracts and as detailed in a supplementary agreement, entered into on March 30, 2011, between Stena Tay and Odebrecht Oil and Gas.

ODN I

ODN II

The Drillships were engineered and built by DSME in South Korea under turnkey, fixed-price, lump-sum engineering, procurement, and construction contracts. The Drillships are dynamically positioned DSME 10,000 models, which started operations in 2012. The Drillships are designed for Petrobras's intended drilling in ultra-deep water depths of up to 3,000 meters, with a total vertical drilling depth capacity of up to 12,000 meters. Each Drillship's hull has a variable deck load of approximately 22,000 metric tons, measuring 780 feet long by 137 feet wide. The Drillships are each able to accommodate 180 people and have approximately 80 rotating crew members of the Operator and 55 rotating employees and/or subcontractors of Petrobras and other third parties. Some of the key features of each of the Drillships include simultaneous operations and stand builders with top drivers that allow the continuous pipe assembly, including a riser management system, six dynamically positioned Wärtsilä thrusters to maintain the platform positioned at the same location even under severe weather conditions, and a world class blow-out preventer of 15,000 psi.

Operation Track Record and Expertise

The Odebrecht Group has a long history of performing offshore drilling services. Odebrecht Perfurações Ltda., or OPL, began operations in 1979 with Norbe I, a jack-up platform purchased by OPL that began operations off the coast of the State of Sergipe under an agreement with Petrobras that was entered into in 1979. Over time, as the Brazilian offshore drilling segment began to change, and private-sector Brazilian companies started to outnumber their foreign counterparts, OPL began drilling for oil at water depths of over 90 meters in addition to working with semi-submersible platforms. A joint venture between Odebrecht S.A. and Foramer S.A. of France in 1982 resulted in the creation of Forabrecht S.A., which brought a new piece of equipment to Brazil — the semi-submersible Astérie platform. Forabrecht drilled seven wells in 200 days in Congo, and OPL sent platforms Norbe II and V to India at the request of the Oil and Natural Gas Commission, the government agency responsible for oil exports. By the end of the 1980s, OPL had the largest privately owned offshore oil drilling and exploration fleet in Brazil with eight platforms.

In 2000, the Odebrecht Group divested most of its oil and gas assets, excluding its FPSO operation in the North Sea and its participation in Block 16 in Angola, to focus on the consolidation of its petrochemical business, which resulted in the creation of Braskem, the largest thermoplastic resins producer in the Americas and currently the eighth-largest thermoplastics producer in the world. By the end of 2001, the Odebrecht Group had operated the following units:

Rig name	Approximate water depth	Rig design	Operation	Years in service
Norbe I	300’	Jack-up Robray 300	Drilling	1979-1984
Norbe II	300’	Jack-up Verolme	Drilling	1982-1992
Norbe III	215’	Jack-up Le Tourneau	Drilling	1985-1990
Norbe IV	7900’	Jack-up Gusto Engineering	Accommodation Tender	1986-1988
Norbe V	330’	Jack-up Verolme	Drilling	1987-1992
Asterie	330’	Semi-submersible Pentagone Moored	Drilling	1985-1988
Alaskan Star	1500’	Semi-submersible Pacesetter	Drilling	1992-1998
Piatã	100’	Jack-up	Tender	1987-1990
Itapoã	100’	Jack-up	Tender	1987-1990
Treasure Legend	3300’	Semi-submersible Moored Bingo 3000	Drilling and Completion of Wells	1992-1998
Treasure Starwinner	3300’	Semi-submersible Moored Enhanced Pacesetter	Drilling and Completion of Wells	1992-1995
Falcon Star	1200’	Semi-submersible Pentagone Moored	Completion of Wells	1995-2000
Valentin Shashin	4000’	Drill Ship Pelican Class	Drilling and Completion of Wells	1998-2001

In 2006, the Odebrecht Group formed Odebrecht Oil & Gas with the goals of assuming a leadership role in the Brazilian E&P, drilling and services markets, and developing an international presence. In 2010, the Operator was assigned the Charter Agreements and Services Agreements for the Drillships. That same year it issued, through its subsidiaries, a project bond in an aggregate principal amount of U.S.$1,500 million to refinance bank debt incurred to finance the construction of the Norbe VIII and Norbe IX drilling rigs. It also received a first round of private placement funding in which it sold a 14.3% share of its equity to Temasek Holdings, a Singapore investment company. In 2011, it received a second round of private funding in which it sold a 5% share of its equity to Gávea Investimentos. In 2012, the Operator was assigned the Charter Agreement and Services Agreement for the Norbe VI Drilling Rig. That same year, the Operator entered into agreements with Sete Brasil to operate and own (through subsidiaries of Sete Brasil in which the Operator indirectly holds 15% of the shares) five new drilling rigs to be constructed in Brazil. In August 2013 the Issuer issued the initial notes in the aggregate principal amount of U.S.$1,690 million, which proceeds were used to release the ODN Project Company and the Norbe VI Project Company from their then-existing debt obligations.

As of the date of this offering circular, the Operator maintains an office in the city of Macaé dedicated primarily to modification and maintenance services as well as drilling operations. As of December 2013, the Operator had 3,126 employees, of which 1,395 were dedicated to drilling activities.

Strong Charter Counterparty

The Vessels have been chartered to Petrobras under ten- and initial seven-year charter agreements with optional extensions upon mutual agreement of the parties. Based on Petrobras public data, of December 31, 2013, Petrobras had proved oil and gas reserves of 15,729.0 mmboe in Brazil as measured by the criteria of the Society of Petroleum Engineers. Petrobras has been active in the energy sector for nearly 60 years and over the past four decades has gradually increased its production from 164 mbbl/d of crude oil, condensate and natural gas liquids in Brazil in 1970 to 1,928 mbbl/d as of November 2013. Petrobras is currently rated Baa1 by Moody's with a negative outlook, BBB by Fitch with a stable outlook and BBB by S&P with a negative outlook. A rating is not a recommendation to purchase, hold or sell any securities and is based on information currently available to the respective rating agencies. These ratings may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information.

Petrobras' 2013-2017 business plan estimates total capital expenditures (including pre-salt and post-salt) for this five-year period of approximately U.S.$236.7 billion, of which 62% are in oil and gas exploration and production.

Vessel Operations

The following discussion summarizes certain key information regarding the operations of each of the Vessels, including performance metrics, Vessel maintenance and operating expenditures.

Performance

The average uptime for the Norbe VI Drilling Rig during the twelve-month period ended December 31, 2013, including all downtime incidents, was 91% and would have been 97% if non-recurring downtime incidents were excluded. In 2013, downtime for the Norbe VI Drilling Rig included: (1) repairs in the blow-out preventer, which caused a stoppage from April 8, 2013, through April 18, 2013; and (2) blow-out preventer incidental disconnect from the lower marine riser package, which caused a stoppage from April 18, 2013 through May 1, 2013.

The average uptime for the ODN Tay IV Drilling Rig during the course of its operations through December 31, 2013, including all downtime incidents, has been 53% and would have been 92% if non-recurring downtime incidents were excluded. According to the applicable Independent Engineer Report, from the commencement of operations through December 31, 2013, downtime for the ODN Tay IV Drilling Rig included: (1) diesel hose leakage, which cause a stoppage from March 4, 2013 through April 6, 2013; (2) hydraulic and electronic blow-out preventer's yellow pod issues, which caused the rig to stop from April 29, 2013 through May 12, 2013; (3) drilling controls issues, causing a downtime from June 14 through 15, 2013; (4) heave compensator leakage, causing a stoppage from July 24, 2013 through September 17, 2013; (5) thrusters 5 and 7 repairs, which caused a stoppage from August 5 through September 16, 2013; and (6) diesel hose leakage, which resulted in a stoppage from October 2 through November 19, 2013.

The average uptime for the ODN I Drillship during the twelve-month period ended December 31, 2013, including all downtime incidents, was 81% and would have been 96% if non-recurring downtime incidents were excluded. In 2013, downtime for the ODN I Drillship included: (1) problems in the oil/air accumulator of the passive compensator system (the Crown Mounted Compensator, or CMC), from January 26, 2013 through February 4, 2013; and (2) a planned shutdown to repair a manufacturing defect in the CMC lasting 43 days from April 11, 2013 to May 24, 2013.

The average uptime for the ODN II Drillship during the twelve-month period ended December 31, 2013, including all downtime incidents, has been 99%.

Maintenance

Maintenance software

Maintenance on each of the four Vessels is managed by a computer maintenance system, which compiles maintenance data for all equipment, machinery and systems and manages such information onboard each Vessel with a direct link to the onshore operations office. The asset management software we use tracks and manages all maintenance and class requirements on each Vessel during its operating life. The software includes maintenance work management, which manages and tracks both planned and unplanned maintenance activities, from initial identification of maintenance requirements through completion and recording of completed works. The software

also manages inventory ensuring that any necessary spare parts for performing scheduled maintenance tasks are available on board in a timely fashion. The software also allows for management of parts procurement to allow for direct purchasing and rotation of the spare parts inventory. Vessel class requirements are incorporated in the system ensuring that class requirements are met throughout all maintenance activities.

The maintenance software also provides an overview of all tasks required during a defined period of time and ranks these by priority. This includes daily print-outs of maintenance requirements, which identifies maintenance needs for each vessel and the ranking of critical maintenance needs by priority. Maintenance needs that are generally identified as high priority include:

- any need for replacement parts or repairs of failed parts;
- any necessary system shutdown before repair can be performed; and
- any necessary instructions from the manufacturer.

High priority items are not related to lack of on-board resources. Most medium priority items are scheduled to be completed or to begin within a few days of identification of such items. Certain items are listed under both high and medium priority. In any event, outstanding maintenance items, whether classified as high or medium priority, generally do not affect the daily operational capabilities of the Vessels.

Expected dry docking

The Operator has planned dry docking periods as per class requirements after five years from delivery, as follows:

- Norbe VI – July 2016 – 10 days;
- ODN Tay IV – March 2015 – 20 days;
- ODN I – July 2017 – 10 days; and
- ODN II – Sept 2017 – 10 days.

The Charter Agreements and the Services Agreements for each Vessel include an allowance of five days per year for dry docking at a waiting rate. In the case of the Norbe VI Drilling Rig, the dry docking allowance has already been used for the current term of the Norbe VI Charter Agreement and the Norbe VI Services Agreement; accordingly, the waiting rate will be applied only for the ODN I Drillship and the ODN II Drillship, during their respective dry-docking periods. Any remaining allowance days may be offset against other downtime.

The Norbe VI Drilling Rig has already used its allotted 35 days of compensated dry-docking for the current term of the Norbe VI Charter Agreement and the Norbe VI Services Agreement due to earlier incidents as described above under "Vessel Operations—Performance." Accordingly, the scheduled drydocking of the Norbe VI Drilling Rig in 2016 will not benefit from the waiting rate. In the case of the ODN Tay IV Drilling Rig, 20 days of the total 35 days of docking allowance for the current term of the ODN Tay IV Charter Agreement and the ODN Tay IV Services Agreement have been used as described above under "Vessel Operations—Performance". Future compensated dry-docking days may be brought forward from any renewal of the Norbe VI Charter Agreement or the Norbe VI Services Agreement. However, there is a two-year difference between the physical dry-docking dates in respect of the Norbe VI Drilling Rig and the possible renewal date of the Norbe VI Charter Agreement and the Norbe VI Services Agreement.

Additional works

As part of negotiations with Petrobras to offset penalties owed by the Project Companies under the Charter Agreements and the Services Agreements as described below under "—Late Delivery Penalties", in the near future we expect to equip each of the Vessels with a managed pressured drilling system, or MPD, which allows an adaptive drilling process used to more precisely control the annular pressure profile throughout the wellbore. With this method, the pressure of the well is monitored and controlled by "flow injectors" allowing drilling where there is loss of mud. Because Petrobras has requested this additional work, downtime during the installation of the applicable upgrades within the period set forth in the Additional Settlement Agreement will be compensated under normal

operating day rates. Similarly downtime that may potentially result from this equipment once operational will be compensated by Petrobras pursuant to the terms of the Additional Settlement Agreement.

The main objectives of the MPD are to ascertain the down-hole pressure environment limits and to manage the annular hydraulic pressure profile accordingly. In that sense, the MPD service can significantly decrease non-productive time and reduce drilling days to improve economics in applications where wellbore mechanics prevent use of conventional techniques. The Operator expects to make total capital expenditures of approximately U.S.$17.0 million to install the MPD system on each Vessel.

The expected time for completion of the works for installation of the MPD system on each Vessel, including engineering, installation and testing, is approximately 14 months. The installation process itself does not require dry docking and can be installed when the Vessel is moving from one well to the other. It is thus, not considered downtime under the Charter Agreements and Services Agreements to the extent installed within the period set forth in the Additional Settlement Agreement. We believe that the installation of this equipment should increase the likelihood of charter contract renewal since this equipment is important for drilling in the pre-salt layers.

Operation and Maintenance Expenses

The operation and maintenance expenses payable in connection with each Vessel by the Project Companies have been (and in the case of the ODN Tay IV Project Company, will be) capped at an amount calculated by multiplying the amount of daily operating expenditures specified in the Guarantor Accounts Agreement by the number of days of the applicable period. The Project Companies will only be permitted to require additional funds for the payment of operating expenses from each of the Project Companies' Offshore Distribution Holding Account, in accordance with the Guarantor Accounts Agreement. The revenues received by the Operator under the Services Agreements will be used to pay operation and maintenance expenses, and any outstanding balance of operating expenditures is expected to be covered by revenues received by the Project Companies under the Charter Agreements, subject to the limitations discussed above. Operation and maintenance expenses with respect to each Vessel exceeding such capped amount are required to be borne by the Operator. The chart below sets forth the amounts of the daily operating expenditures for each Vessel to be used for the calculation of the capped amount of operation and maintenance expenses payable by the Project Companies, as set forth in the Guarantor Accounts Agreement, during the term of the Charter Agreements and the Services Agreements:

Period	Daily capped operating expenditures Per Guarantor Accounts Agreements
	(in U.S.$ thousands)
Issue Date – December 31, 2014	149
January 1, 2015 – December 31, 2015	153
January 1, 2016 – December 31, 2016	159
January 1, 2017 – December 31, 2017	165
January 1, 2018 – December 31, 2018	170
January 1, 2019 – December 31, 2019	174
January 1, 2020 – December 31, 2020	180
January 1, 2021 – December 31, 2021	186
January 1, 2022 – Maturity Date	194

The most significant cost relating to the Vessels consists of payroll expenses, which represent 49% of total operating expenses. Labor costs make up a significant portion of the operating expenses. We believe that a high demand for highly qualified professionals contributed to increased labor costs several years ago, though we believe the current and medium-term labor markets have stabilized.

Other significant operating expenditures include repair and maintenance, which represents 15% of total operating expenses on average. Repair and maintenance costs can vary due to the possible need to incur capital expenses caused by corrective maintenance on the Vessels during their initial period of operations; however, this is a non-recurring expense in the long run.

Other operating expenditures include insurance, training, catering and crew change (expatriate and domestic) collectively representing 21% of operating expenses on average. We do not expect these items to vary significantly in the near future.

Other expenses, which represent 15% of total operating expenses on average, include:

- fuel and diesel expenses;
- costs for vessel registration & inspections;
- technical fees and intercompany charges (primarily for field support);
- waste disposal;
- compliance with quality, health, safety and environment, or QHSE, standards;
- communications costs;
- computer supplies and software costs;
- office supplies and accounting and legal fees;
- general taxes and license fees, and
- miscellaneous.

The table below sets forth the breakdown by type of target daily operating expenditures per Vessel:

Target operating expenditure breakdown	in U.S.$ thousands per day	% of Operating Expenses
Labor and payroll	73.0	49
Repair and maintenance	22.4	15
Insurance	10.4	7
Training	7.5	5
Catering	7.5	5
Crew change (expats & domestic)	6.0	4
Other expense	22.2	15
Total	149.0	100

Summary of Valuation Reports

Information in this offering circular regarding the appraisal of the fair market values of the ODN I Drillship, the ODN II Drillship, the Norbe VI Drilling Rig and the ODN Tay IV Drilling Rig was derived from the 2013 Valuation Reports dated as of March 31, 2013, March 31, 2013 and April 1, 2013, which have not been included as an appendix to this offering circular, and the Noble Denton Valuation Report dated as of January 6, 2014, which reports were prepared by independent safety, risk and integrity management companies. See "Appendix A—Noble Denton Valuation Report" and "Presentation of Financial and Other Information—Independent Consultant Reports." These reports do not include all the information that may be important for an investment decision.

The reports provide five metrics for valuation as of the relevant report dates (the applicable "effective date"):

(1) fair market value of the Vessel as of the effective date, which is calculated according to the income approach valuation methodology;

(2) fair market value of the Vessel as an unencumbered asset and available for sale in Brazil, which is calculated according to the cost approach valuation methodology;

(3) fair market value of the Vessel at the maturity of the applicable charter agreement, which is calculated by combining the cost approach valuation methodology and salvage value of the Vessel, not considering inflation;

(4) fair market value of the Vessel at the maturity of the applicable charter agreement, which is calculated by using the cost approach valuation methodology and salvage value of the Vessel, considering inflation; and

(5) fair market value of the Vessel at the maturity date of the applicable charter agreement, which is calculated by using the income approach and considering inflation.

The resulting appraisals for these valuations are summarized in the following table:

Valuation Method	Vessel			
	ODN I (1)	ODN II (2)	Norbe VI (3)	ODN Tay IV (4)
	(in U.S.$ millions)			
Fair market value of the vessel as of the effective date (using the income approach)	947.5	943.8	738.3	824.0
Fair market value of the vessel as of the effective date as an unencumbered asset and available for sale in Brazil (using the cost approach)	778.4	778.4	545.2	499.0
Fair market value of the vessel at the maturity of the charter agreement (using the cost approach not considering inflation)	593.5 (5)	593.5 (6)	471.3 (7)	N/A (8)
Fair market value of the vessel at the maturity of the charter agreement (using the cost approach and considering inflation)	797.7 (5)	797.7 (6)	546.4 (7)	310.1 (8)
Fair market value of the vessel at the maturity of the charter agreement (using the income approach and considering inflation)	774.4 (5)	774.4 (6)	546.4 (7)	641.7 (8)

(1) Based on 2013 Valuation Report dated as of March 31, 2013. This report has not been updated since the date of its preparation.

(2) Based on 2013 Valuation Report dated as of March 31, 2013. This report has not been updated since the date of its preparation.

(3) Based on 2013 Valuation Report dated as of April 1, 2013. This report has not been updated since the date of its preparation.

(4) Based on Noble Denton Valuation Report dated as of January 6, 2014. This report has not been updated since the date of its preparation.

(5) Maturity date of charter agreement is September 9, 2022.

(6) Maturity date of charter agreement is August 25, 2022.

(7) Maturity date of charter agreement is March 27, 2019.

(8) Maturity date of charter agreement is February 29, 2020.

Information regarding the methodology and assumptions used to arrive at these valuations with respect to the ODN Tay IV Drilling Rig are available in the Noble Denton Valuation Report included in this offering circular as Appendix A. See "Appendix A—Noble Denton Valuation Report" and "Presentation of Financial and Other Information—Independent Consultant Reports."

Insurance Policies and Coverage

The current insurance policies and coverage contracted by the Operator and its affiliates with respect to the Vessels are set forth below. The insurance policies were placed with Lloyds syndicates and European insurance companies, in each case rated A- and above by S&P.

Operational phase (coverage period: from the Delivery Date until payment in full of the outstanding principal and accrued interest on the new notes):

- hull and machinery, increased value, accelerated cost of construction, and war and related risk insurance: (1) scope of coverage: risks of physical loss or damage, and war and related risks, from any cause not otherwise excluded as per market conditions; and (2) aggregate amount insured: U.S.$2,892.6 million for the four Vessels;

- loss of hire insurance in a total amount of U.S.$263.9 million for the four Vessels; and

- protection and indemnity and comprehensive general liability insurance, with a policy limit equal to U.S.$325.0 million per Vessel for a total coverage of U.S.$1,300 million for all four Vessels.

The following table shows the breakdown of the coverage described above by Vessel:

Type of coverage	Norbe VI	ODN I	ODN II	ODN Tay IV	Total
			(in in U.S.$ millions)		
Physical damages (incl. war risks)	663.2	778.4	778.4	672.6	2,892.6
Loss of hire	63.2	66.3	66.3	68.2	263.9
Protection and indemnity and comprehensive general liability (incl. war risks)	325.0	325.0	325.0	325.0	1,300.0

In addition, we have business interruption insurance covering events arising from physical loss or physical damage covered under the hull and machinery policy and war risks. The amount of coverage is equivalent to 180 days of the daily rate of each Vessel.

The insurance coverage for the Vessels (other than protection and indemnity and comprehensive general liability insurance) became effective from May 24, 2013 to May 24, 2014. The protection and indemnity and comprehensive general liability coverage became effective on February 20, 2014, and is expected to be renewed periodically thereafter.

Upon their respective expiration, we expect to renew the insurance policies with respect to the Vessels for successive 12-month periods. These insurance policies each have applicable deductible amounts. See "Risk Factors—Risks Relating to the Project Companies' Business and Industry—The business that the Project Companies are engaged in involves numerous operating hazards, and the insurance of the Operator and its affiliates may not be adequate to cover all of the Vessels' losses and may not be renewed on favorable terms and for reasonable prices."

Odebrecht Drilling Services

ODS is a limited liability company organized under the laws of the state of Delaware, which was formed in August 2006 originally as a wholly owned subsidiary of OOSL, a wholly owned subsidiary of the Operator. In September 2006, ODS entered into an engineering, procurement and construction contract for the construction of the Norbe VI Drilling Rig, or the EPC contract, and related owner-furnished equipment contracts for the construction and commissioning of the Norbe VI Drilling Rig. On June 26, 2012 OOSL transferred its sole membership interest in ODS to the Norbe VI Project Company.

Prior to the assignment of ODS's obligations to the Norbe VI Project Company in June 2012, ODS was the borrower under the then-existing indebtedness of the Norbe VI Project Company. The rights and obligations of ODS under the EPC contract with the contractor SBM have not been transferred to the Norbe VI Project Company, and until all of the claims under the EPC contract have been settled or extinguished, ODS's corporate existence will be preserved.

Under the EPC contract, ODS has made certain claims against SBM in respect of warranties and other matters, and for loss of earnings caused by alleged delays on the part of SBM in complying with its obligations under the EPC contract after the Norbe VI Drilling Rig arrived in Brazil in 2011. SBM and ODS are in disagreement about these claims and discussions between the parties are ongoing in an attempt to reach settlement. ODS presently claims payments of contractual damages in the aggregate amount of approximately U.S.$46 million reduced by a drawing of approximately U.S.$5.5 million in late 2011 under a standby letter of credit established by SBM under the EPC contract as security for its obligations. SBM disputes this amount.

No legal proceedings have been commenced in respect of this dispute. As of December 31, 2013, ODS has no employees, no operations and no assets other than the contract rights described above and receivables from the Norbe VI Project Company in the amount of U.S.$52.4 million (which corresponds to equity held by the Norbe VI Project Company that is netted out on consolidation). Any proceeds received by ODS pursuant to its claim against SBM will be distributed to the Norbe VI Project Company in connection with a dissolution or merger of ODS but will not be paid into the collateral accounts held by the Norbe VI Project Company. The Norbe VI Project Company will, in turn, distribute these funds as dividends to Odebrecht Oil & Gas GmbH, which in turn will distribute these funds to the Operator. SBM has demanded repayment from ODS of approximately U.S.$3.5 million of the U.S.$5.5 million drawn by ODS under the letter of credit. Other than the foregoing, there are no claims, administrative proceedings or legal proceedings against ODS. ODS has no liabilities and will not assume any liabilities in the future. Since the completion of the offering of the initial notes, ODS is not permitted to engage in any business, enter into or be a party to any transaction or agreement other than the contractual arrangements described above.

Competition with the Project Companies and the Operator

With respect to the Vessels, the initial seven- and ten-year Charter and Services Agreements have been entered into with Petrobras and as such, the Operator's major competitors cannot bid for such agreements. Generally, demand for charter and operation of ultra-deepwater drilling vessels is influenced by a number of factors, including the current and expected prices of oil and gas and the expenditures of oil and gas companies for exploration and development of their fields. In addition, demand for Vessel services remains dependent on a variety of political and economic factors beyond the control of the Project Companies or the Operator, including worldwide demand for oil and gas, OPEC's ability to set and maintain production levels and pricing, the level of production of non-OPEC countries and the policies of various governments regarding exploration and development of their oil and gas reserves. Major competitors in offshore drilling activities are Transocean, Seadrill, Diamond, Noble, Ensco and the Brazilian companies, Queiroz Galvão, Petroserv and the Schahin Group.

Employees

The Issuer and the Project Companies do not have employees. As of December 31, 2013, the Norbe VI Drilling Rig was able to accommodate 140 people and had approximately 76 rotating crew members employed by the Operator and approximately 50 rotating employees and/or subcontractors of Petrobras and other third parties. According to the applicable Independent Engineer Report, the ODN Tay IV Drilling Rig is able to accommodate 150 people. As of December 31, 2013, it had approximately 79 rotating crew members employed by the Operator and approximately 61 rotating employees and/or subcontractors of Petrobras and other third parties. As of December 31, 2013, the Drillships were each able to accommodate 180 people and each had approximately 80 rotating crew members employed by the Operator, and approximately 55 rotating employees and/or subcontractors of Petrobras and other third parties. Most of the Operators' employees working on the Vessels are transported from Macaé by helicopter to the Vessels. These employees have extensive technical, operational and management experiences in the offshore drilling industry with many other offshore drilling contractors that specialize in deepwater drilling. The Operator is committed to continuously recruiting first-rate professionals in order to support the growth of the company. For a description of key operational personnel for each of the Vessels, see "Management—Board of Directors" and "Management—Key Personnel of Operator."

As of December 31, 2013, there were 156 employees working on the Norbe VI Drilling Rig, 161 employees working on the ODN Tay IV Drilling Rig, 156 employees working on the ODN I Drillship and 159 employees working on the ODN II Drillship.

Legal and Administrative Proceedings

As of the date of this offering circular, the Issuer, the Project Companies and the Operator were not party to any material legal, arbitration or administrative proceedings.

Late Delivery Penalties

The Project Companies and the Operator were liable for penalties payable to Petrobras for failure to deliver the Vessels and commence operations under the Charter Agreements and Services Agreements for the Vessels within the stipulated timeframe, in violation of the relevant sections regarding delivery of each Charter Agreement and Services Agreement in respect of the Vessels.

The delay in delivering the Norbe VI Drilling Rig resulted in penalties of U.S.$20.4 million and R$30.5 million under the Norbe VI Charter Agreement and Services Agreement, respectively, or the Norbe VI penalties. The delay in delivering the ODN Tay IV Drilling Rig resulted in penalties of U.S.$63.2 million and R$14.4 million under the ODN Tay IV Charter Agreement and Services Agreement, respectively, or the ODN Tay IV penalties. The delay in delivering the ODN I Drillship resulted in penalties of U.S.$11.8 million and R$2.6 million under the ODN I Charter Agreement and Services Agreement, respectively, or the ODN I penalties. The delay in delivering the ODN II Drillship resulted in penalties of U.S.$10.4 million and R$2.3 million under the ODN II Charter Agreement and Services Agreement, respectively, or the ODN II penalties.

The Penalty Agreements

In January 2013, Petrobras, the ODN Project Company and the Operator entered into an Admission of Penalty and Installment Agreement for each of the Penalty Agreements, whereby the parties established a schedule for the payment of the penalties. According to the Penalty Agreements, the ODN Project Company and the Operator paid

the full penalties under the Services Agreements and U.S.$7.0 million of the penalty under the ODN I Charter Agreement and U.S.$5.5 million of the penalty under the ODN II Charter Agreement, which were offset against payments payable by Petrobras under these Charter Agreements in January 2013. The Penalty Agreements in respect of the Drillships provided for the payment of the remaining U.S.$4.9 million under each of the ODN I and ODN II Charter Agreements in nine monthly installments of U.S.$570,000 per Drillship, starting in April 2014, however Petrobras agreed to offset these remaining amounts against the implementation by the respective Project Companies of upgrades in connection with the Additional Settlement Agreement described below.

With respect to penalties for late delivery of the Norbe VI Drilling Rig, cash or one or more Reserve Account Letters of Credit in the amount of such penalties was credited to the Norbe VI Offshore Penalty Reserve Account, which was established in connection with the issuance of the initial notes and pledged to the Collateral Agent for the benefit of the Secured Parties. Amounts on deposit in the Norbe VI Offshore Penalty Reserve Account were released to the Project Companies subsequent to the entering into of the settlement agreement described below.

The Intercompany Penalty Adjustments

Pursuant to an additional settlement agreement with Petrobras entered into on November 29, 2013, the Project Companies and the Operator have negotiated with Petrobras to offset the amounts of outstanding penalties for the late delivery of the Drillships, the Norbe VI Drilling Rig and the ODN Tay IV Drilling Rig, against the implementation of certain upgrades to the Vessels. Petrobras has agreed to, in exchange for these upgrades, cancel the remaining penalty amounts owing to it.

The upgrades negotiated in the additional settlement agreement include most notably, among others, installation of managed pressure drilling, or MPD, equipment on each Drillship and the Norbe VI Drilling Rig. The upgrades must be completed within 12 months from the date of the settlement agreement except for installation of the MPD equipment, which must be completed within 12 months for the Drillships and 16 months for the Norbe VI Drilling Rig. Delays in the completion of any of the upgrades within the relevant timeframe, or non-fulfillment of the obligations foreseen in the Additional Settlement Agreement, would result in a reduction in the day rate under the relevant Charter Agreement between 1.0% and 11.5%, depending on the particular upgrade element that is not completed within the prescribed time period, until such time as the upgrade is complete. The Project Companies have commenced the acquisition and installation of the applicable upgrades and we believe that the upgrades will be completed within the time specified in the Additional Settlement Agreement. In addition, for any upgrades related to the MPD that cannot be completed while the relevant Vessel is operating, there will be an operational window, to be mutually agreed between the relevant Project Company and Petrobras, for the installation, commissioning and testing of the relevant upgrades, during which time the relevant Project Company will continue to receive the full day rate under the applicable Charter Agreement, though if these upgrades are not completed within this operational window, the wait rate equal to 90% of the day rate would apply under the relevant Charter and Services Agreement until such time as the installation, commissioning and testing of the relevant upgrades are completed.

On November 27, 2013, we exchanged letter agreements among the ODN Project Company, the Norbe VI Project Company, the ODN Tay IV Project Company and one of our affiliates that owns another drillship operated by the Operator. Pursuant to these intercompany letter agreements, this affiliate and the ODN Tay IV Project Company have agreed to assume the costs and/or provide the funds for the total costs of the required upgrades to the ODN I and ODN II Drillships and the Norbe VI Drilling Rig, considering that the fines for this affiliate and the ODN Tay IV Project Company were considerably higher than those of the other Project Companies. Under these intercompany arrangements, this affiliate has agreed to pay for the upgrades to the Norbe VI Drilling Rig up to a maximum amount of approximately U.S.$18.5 million, plus pay a small daily allowance for the remaining life of the Norbe VI Charter Agreement. This affiliate has also agreed to contribute to assume the costs and/or provide the funds for the upgrades to the Drillships up to a maximum amount of approximately U.S.$3.1 million, plus pay a small daily allowance for the remaining life of the Charter Agreements for the Drillships. In addition, the ODN Tay IV Project Company has agreed to contribute to the cost of the upgrades to the Drillships up to a maximum amount of approximately U.S.$29.4 million, plus pay a small daily allowance for the remaining life of the Charter Agreements for the Drillships.

To enable the above-described intercompany financial adjustments and payments to be made, and to ensure the required upgrades are completed, the Operator has agreed pursuant to an amendment to the Undertaking Agreement to make capital contributions to the Project Companies in amounts sufficient to fund the timely completion of the upgrades required pursuant to the terms of the Additional Settlement Agreement.

REGULATORY OVERVIEW

Austrian Insolvency Considerations

Where the center of a debtor's main interests is situated within the territory of Austria, the courts of Austria will have jurisdiction to open insolvency proceedings (Article 3 of Council Regulation (EC) 1346/2000 of 29 May 2000 on Insolvency Proceedings). The following is an overview of the main aspects of Austrian insolvency law applicable to companies as debtors. The legal basis is the Austrian Insolvency Code (*Insolvenzordnung* — "IO").

Insolvency

The Project Companies (providing the Note Guarantees and granting security interests in Collateral) are organized under the laws of Austria, may have their center of main interest in Austria or may at least have assets located in Austria. In the event of insolvency, insolvency proceedings may, therefore, be opened against such Project Companies in Austria, which are governed by the Austrian Insolvency Code (*Insolvenzordnung*). Creditors' rights might also be affected by the Austrian Business Reorganization Act (*Unternehmensreorganisationsgesetz*), which does not govern insolvency proceedings but regulates the reorganization of companies in financial distress. The Austrian Insolvency Code regulates on the one hand liquidation proceedings in which the debtor's assets or company as a whole are sold and the proceeds are distributed among its creditors, after the deduction of certain costs of the proceedings and the insolvency administrator. On the other hand it also provides for restructuring proceedings enabling the debtor to discharge its liabilities through quota payments and to continue its activities under certain conditions. The Business Reorganization Act, which regulates the reorganization proceedings for enterprises threatened by insolvency, is not designed to assist creditors in satisfying their debts, but rather to support the reorganization of the debtor's enterprise. The insolvency laws of Austria may not be as favorable to your interests as creditors as the insolvency laws of other jurisdictions. As a result, your ability to recover payments due on the new notes may be limited to an extent exceeding the limitations arising under other insolvency laws.

The Austrian Insolvency Code

Insolvency proceedings must be opened by a court upon application by the debtor or a creditor whenever it has been established that a company is illiquid (*zahlungsunfähig*), i.e. in principle unable to pay its debts in due time (*Zahlungsunfähigkeit*) or is over-indebted in terms of insolvency law (*insolvenzrechtlich überschuldet*), i.e. in principle that the liabilities exceed its assets at liquidation values and there is a negative forecast on the company's future survival (negative going-concern prognosis, or *negative Fortbestehensprognose*), provided that the insolvency estate's value is sufficient to cover at least the costs of the insolvency proceedings. In such case management is obligated to file for the opening of insolvency proceedings promptly and in any event within 60 days after establishing that the company is insolvent. Restructuring proceedings (*Sanierungsverfahren*), upon application by the debtor, may also be initiated, if the risk of the debtor's inability to pay its debts is at least imminent (*drohende Zahlungsunfähigkeit*) and the debtor files an application for the opening of such proceedings.

Depending on whether or not a permissible restructuring plan (*Sanierungsplan*) is presented together with the application for the opening of insolvency proceedings the insolvency proceedings will be designated as restructuring proceedings (*Sanierungsverfahren*) or bankruptcy proceedings (*Konkursverfahren*). Whenever the debtor applies for the opening of insolvency proceedings as restructuring proceedings and presents a permissible restructuring plan (*Sanierungsplan*) offering a quota of at least 20% to the unsecured creditors payable within a maximum of two years (in case of entrepreneurs), the insolvency proceeding is called a restructuring proceeding (*Sanierungsverfahren*). A debtor may present such a restructuring plan also in the course of a bankruptcy proceeding whereby, if the restructuring plan was presented after the bankruptcy proceedings were opened, the proceeding will be continued to be designated as bankruptcy proceedings (*Konkursverfahren*).

Restructuring plans generally intend to discharge the debtor from a part of its debts (up to 80%) and to enable the debtor to continue its business activities. A creditors' meeting is to take place within 60 to 90 days after the opening of the proceedings. A qualified simple majority of unsecured creditors must approve the restructuring plan. Qualified simple majority means that the simple majority of unsecured creditors in number present at the hearing must vote in favor of the restructuring plan and that the total sum of these unsecured creditors' claims must amount to more than 50% of the unsecured claims present at the hearing. If the restructuring plan is accepted by the creditors, confirmed by the court and fulfilled by the debtor, the latter is released from the rest of its debts. If the restructuring fails (for example, if the restructuring plan is not approved) the proceeding automatically turns into a bankruptcy proceeding (*Konkursverfahren*).

If the debtor applies for the opening of insolvency proceedings and presents qualified documents together with a restructuring plan offering a quota of at least 30% to the unsecured creditors payable within a maximum of two years, it is entitled to self-administration (*Sanierungsverfahren mit Eigenverwaltung unter Aufsicht eines Verwalters*) which may be withdrawn, if, for example, negative effects on the creditors' positions can be expected. If the realization of a restructuring plan fails, the insolvency proceeding will be continued as bankruptcy proceeding.

Unless the debtor meets the requirements for self-administration, the debtor is not any longer in the position to dispose of the assets subject to insolvency, i.e. the insolvent's estate (*Insolvenzmasse*), as from the opening of insolvency proceedings. The opening takes effect as of 12:00 a.m. of the day following the publication of the receiving order (*Insolvenzedikt*) in the official insolvency data base (www.edikte.justiz.gv.at). After the initiation of insolvency proceedings legal acts of the debtor in relation to the debtor's estate take no effect towards the creditors. The court appoints an insolvency administrator (*Insolvenzverwalter*) along with its decision on the opening of insolvency proceedings, and, if it deems this necessary in view of the specifics or size of the debtor's business or in case certain legal requirements are met (e.g. intended sale of the entire business of the debtor), a creditors' committee (*Gläubigerausschuss*) to assist the insolvency administrator. After the opening of insolvency proceedings without self-administration (i.e. bankruptcy proceedings or restructuring proceedings without self-administration) only the insolvency administrator is entitled to act on behalf of the debtor's estate.

The insolvency administrator's main task is to administer and realize the assets of the insolvent's estate. According to Austrian insolvency law, the insolvency administrator generally shall continue the debtor's business in order to enable a potential reorganization of the debtor's business either by implementing the debtor's restructuring plan (which he may also apply for during the bankruptcy proceedings) or by a sale of the debtor's business or assets. If neither a restructuring plan nor the sale of the debtor's business or assets is possible, the insolvency administrator will break up the company and the bankruptcy proceedings will ultimately lead to the sale and distribution of the debtor's assets, the debtor remaining liable for its residual debts.

If the debtor meets the requirements for self-administration the debtor is monitored by a court appointed restructuring administrator (*Sanierungsverwalter*) to whom certain transactions are reserved.

Unsecured creditors (*Insolvenzgläubiger*) shall file their claims with the competent court within the time period set out in the court order on the opening of insolvency proceedings. At the so-called examination hearing (*Prüfungstagsatzung*), which is held at the competent court, the insolvency administrator has to declare whether he acknowledges or contests a claim filed. If the insolvency administrator acknowledges a creditor's claim, this creditor is entitled to participate in the insolvency proceeding, which means that he will finally receive the quota that is distributed to the unsecured creditors. If a creditor's claim is contested by the insolvency administrator, the creditor has to assert its claim in civil proceedings in order to maintain its right to participate in the insolvency proceedings.

Claims of unsecured creditors in insolvency proceedings, which were created before the opening of these proceedings, rank *pari passu*. Taxes, social security contributions, wages and salaries are not, as such, privileged or preferential claims under Austrian insolvency law. Claims which lawfully arose against the debtor's estate after the opening of the proceedings, so-called privileged claims (*Masseforderungen*) or claims which are secured by collateral (such as by a mortgage, a pledge over bank accounts or shares, a pledge or an assignment of receivables for security purposes or a pledge or security transfer of moveable assets), so-called preferential claims (*Absonderungsrechte*), enjoy priority in insolvency proceedings. Creditors who have a right to preferential treatment may participate in the *pro rata* distribution only to the extent that the proceeds from the realization of the assets charged to them did not cover their claims or if they have waived their right to preferential treatment. Secured creditors do not have a voting right on the restructuring plan to the extent their claim is covered by security.

The costs of the insolvency proceedings and certain liabilities accrued during insolvency proceedings rank prior to all other claims. Creditors with a right of separation of assets (*Aussonderungsberechtigte*), such as creditors with retention of title, remain unaffected by the opening of insolvency proceedings though they may be barred from exercising their separation rights for a maximum period of six months following the opening of insolvency proceedings, if the exercise of such rights would endanger the carrying on of the debtor's business and the interdiction does not cause a severe personal or economic damage to the respective creditor. The same applies for secured creditors of preferential claims (*Absonderungsberechtigte*) (section 11 of the Austrian Insolvency Code).

Once formal proceedings have been opened it is not possible to obtain an execution lien any more. All execution proceedings against the debtor are stayed (*Vollstreckungssperre*). Execution liens obtained within the last 60 days before formal proceedings were opened expire.

Section 21 IO provides in relation to agreements which are not or only partially performed by both parties that the insolvency administrator has the option to either rescind or perform the contract. If the debtor's obligation consists of rendering services or the delivery of goods (*nicht in Geld bestehende Leistungen*) and the debtor is in default with the fulfillment of such obligation, the insolvency administrator must declare promptly upon request of the debtor's counterparty, however at the latest within 5 business days of such request, whether he wishes to perform the contract or not; in case of no declaration the insolvency administrator is deemed to have withdrawn from the contract. In case the insolvency administrator rescinds the contract, the counterparty may be entitled to damages.

Section 25a paragraph 1 of the Austrian Insolvency Code provides that for a period of six months from the opening of insolvency proceedings contractual partners of the debtor may terminate contracts only for cause. In this context, the deterioration of the economic situation or the lack of timely performance by the debtor prior to the opening of insolvency proceedings is not considered a cause allowing a termination. This restriction only applies if a termination of a contract would jeopardize the continuation of the debtor's business. No restrictions apply if a termination of a contract is inevitable to prevent the contractual partner from incurring severe personal or economic damages or the debtor does not timely perform its contractual obligations after the opening of the insolvency proceedings.

Pursuant to section 25b paragraph 2 of the Austrian Insolvency Code, a contractual stipulation providing for the right to withdraw from an agreement or an automatic termination in the event of opening of insolvency proceedings against the other party is not enforceable (with the exception of close-out netting arrangements).

Powers of attorney granted by the insolvent debtor terminate automatically upon the opening of insolvency proceedings.

Reorganization Proceedings (Reorganisationsverfahren)

The Austrian Business Reorganization Act (*Unternehmensreorganisationsgesetz*) governs business reorganizations, which are designed to enable businesses in temporary financial distress to continue to do business after having undergone a reorganization procedure. Only the debtor may apply for the opening of a reorganization procedure, provided, however, that it is still solvent at the time of its application. The relevant criteria for the opening of a business reorganization procedure are a quota of own funds (*Eigenmittelquote*) of less than 8% and a fictitious duration of debt redemption (*fiktive Schuldentilgungsdauer*) of more than 15 years, in each case as defined in the Business Reorganization Act.

Pursuant to section 19 of the Austrian Business Reorganization Act, a contractual stipulation providing for the right to withdraw from an agreement or for its automatic termination in the event of the opening of reorganization proceedings relating to the other party is not enforceable.

Contestation/Avoidance

Legal actions and legal transactions that have taken place within certain suspect periods prior to the opening of insolvency proceedings may be subject to an avoidance claim by the insolvency administrator according to the avoidance rules of the Austrian Insolvency Code (*Insolvenzordnung—IO*). General requirements for avoidance are: (i) the avoidance must result in an increase of the insolvent's estate (*Befriedigungstauglichkeit*); (ii) the challenged legal action or challenged legal transaction must have caused a direct or indirect discrimination of the other creditors (*Gläubigerbenachteiligung*); and (iii) the avoidance claim generally must be filed by the insolvency administrator within one year after the opening of the insolvency proceedings at the latest.

In particular, the following legal transactions and legal acts are voidable:

- Avoidance due to intent to discriminate (*Anfechtung wegen Benachteiligungsabsicht*) (section 28/1-3 IO): Transactions concluded in order to discriminate other creditors may be challenged if they were entered into within 10 years prior to the opening of insolvency proceedings and the other party knew about the debtor's intention to discriminate. If the other party was not aware but should have been aware of the debtor's intention to discriminate its creditors the period is shortened to two years prior to the opening of the insolvency proceedings. If the legal act was concluded with or for the benefit of a close relative (relatives, in-laws) the burden of proof regarding the knowledge of the intention to discriminate is shifted to the relative, i.e. the relative must prove that he or she had no knowledge and was not negligent in having no knowledge respectively. Should the debtor be a legal entity capable of being a party in a lawsuit then members of the managerial and supervisory bodies, shareholders with

unlimited liability as well as shareholders pursuant to section 5 EKEG (i.e. in particular shareholders controlling the debtor or holding a stake of at least 25% or other persons not being a shareholder and exercising a dominant influence like a majority shareholder) are deemed to be close relatives. The same applies to persons which were a "relative" in the year preceding the opening of insolvency proceedings.

- Avoidance due to squandering of assets (*Anfechtung wegen Vermögensverschleuderung*) (section 28/4 IO): Avoidance may apply to certain contracts, including purchase, supply and exchange contracts, entered into by the debtor that are considered a squandering of assets at the expense of other creditors, if the counterparty to the contract had or should have knowledge of such squandering. Squandering of assets is assumed if an obvious incongruity exists between performance and consideration. Section 28 no 4 of the Austrian Insolvency Code applies to transactions that took place within one year prior to the opening of insolvency proceedings.

- Avoidance of transactions with no consideration and analogous transactions (*Anfechtung wegen unentgeltlicher und ihnen gleichgestellter Verfügungen*) (section 29 IO): Dispositions of the debtor that were concluded free of charge or are equivalent to such dispositions may be challenged. A disposition free of charge requires that the disposing person acts with the intention not to receive any consideration in return. The disposition amounts to a sacrifice by the debtor. Examples for such dispositions are: donations, acknowledgement of a debt, security for liabilities, and payment of someone else's debt. Among others things, if the debtor receives an adequate consideration in return (angemessenes Entgelt) the disposition may not be challenged pursuant section 29 of the Austrian Insolvency Code. Any economic benefit or interest may be qualified as a consideration. Section 29 of the Insolvency Code applies to dispositions concluded within two years prior to the opening of insolvency proceedings.

- Avoidance due to preferential treatment (*Anfechtung wegen Begünstigung*) (section 30 IO): The payment of or granting of security to a creditor (*Befriedigung oder Sicherstellung*) carried out by the insolvent debtor after its material insolvency or after filing an application for the opening of insolvency proceedings or within 60 days prior to such insolvency application may be avoided if (i) the creditor obtained security or satisfaction which it was not or not in that way or at that time entitled to, unless he was not favored by this transaction (objective preferential treatment) or (ii) the transaction took place for the benefit of a close relative unless such relative did not know and should not have known the debtor's intention of the preferential treatment or (iii) the transaction took place for the benefit of any other creditor who knew or should have known about the debtor's intention of the preferential treatment (subjective preferential treatment). Material insolvency means illiquidity (*Zahlungsunfähigkeit*) or over-indebtedness in terms of insolvency law (*insolvenzrechtliche Überschuldung*). "Close relative" has the same meaning as described above. Objective preferential treatment does not require any subjective elements on part of the counterparty. In particular, the counterparty's knowledge of the financial state of the debtor is irrelevant. Subjective preferential treatment requires the debtor's intention and the creditor's knowledge of the debtor's intention to favor a creditor. Transactions carried out more than one year before the opening of the insolvency proceedings may not be contested pursuant to Section 30 of the Insolvency Code. In case of transactions to the benefit of close relatives, the insolvency administrator in particular benefits from certain relief regarding burden of proof.

- Avoidance due to knowledge of insolvency (*Anfechtung wegen Kenntnis der Zahlungsunfähigkeit*) (section 31 IO): Pursuant to Section 31 of the Austrian Insolvency Code legal acts carried out by the insolvent debtor after its material insolvency or after filing for the opening of insolvency proceedings may be challenged if the legal act (i) constitutes payment of or granting of security to a creditor (*Befriedigung oder Sicherstellung*) or (ii) is considered a disadvantageous legal act (*nachteiliges Rechtsgeschäft*). The legal act by which a creditor's claim is satisfied or secured may only be challenged if the creditor knew or was negligently not knowing of the debtor's material insolvency or pending insolvency petition. A legal act is considered disadvantageous if the chances for satisfaction of other creditors' claims are worsened due to the legal act.

Disadvantageous transactions of the debtor concluded with creditors may be challenged if such agreements are directly disadvantageous to other creditors and the contracting partner knew or should have known of the debtor's material insolvency or pending insolvency petition.

Disadvantageous transactions of the debtor concluded with non-creditors may be challenged if such agreements are either directly or indirectly disadvantageous to creditors, however, only if the contracting partner (i) knew or should have known of the debtor's material insolvency or pending insolvency petition and (ii) the disadvantage for the insolvency estate was objectively predictable at the time of the transaction. Such objective predictability is in particular at hand if a restructuring plan is obviously flawed (*offensichtlich untaugliches Sanierungskonzept*).

A transaction is considered indirectly disadvantageous (*mittelbare Nachteiligkeit*) if the transaction is objectively balanced, i.e. not directly disadvantageous but the transaction nonetheless lowers the recovery rate of creditors. In case of an indirectly disadvantageous transaction the contracting partner must prove that the disadvantage to the insolvency estate was objectively unpredictable. If the contracting partner and thus beneficiary of the satisfaction/securing or disadvantageous act is a close relative, he or she must in addition prove that he or she had no knowledge of the debtor's illiquidity or insolvency petition.

Transactions carried out more than six months before the opening of the insolvency proceedings may not be contested pursuant to section 31 of the Austrian Insolvency Code.

In addition to a receiver avoiding transactions according to the Austrian Insolvency Code, a creditor who has obtained an enforcement order (*Vollstreckungstitel*) could possibly also avoid any transactions according to the Austrian Avoidance Act (*Anfechtungsordnung*) outside of formal insolvency proceedings. The conditions for such action vary to a certain extent from the rules described above, and the avoidance periods are calculated from the date when such other creditor exercises its rights of avoidance in the courts.

Brazilian Oil and Gas Regulatory Overview

Regulation of the oil and natural gas sector

Brazil's Federal Constitution of 1988 established the Brazilian federal government's monopoly over practically all oil and natural gas operations, including the blanket prohibition against granting concessions for exploring oil or natural gas deposits to the private sector. In 1995, the constitution was amended to allow privately or publicly owned companies to be engaged in the exploration and production of oil and natural gas, subject to conditions set forth in specific legislation governing the sector. In 1997, the Petroleum Law was promulgated, which, among other measures, (1) revoked Petrobras's role as the exclusive agent for executing the Brazilian federal government's monopoly; (2) created the CNPE, which is responsible for issuing national energy policies for oil and natural gas production, as well as for creating the guidelines for competitive auctions with respect to blocks for exploration and viable areas pursuant to the Petroleum Law; and (3) eliminated price controls for products derived from oil and natural gas.

In 1997, the ANP was created to regulate and monitor the activities of the oil and natural gas sector, as well as its by-products and biofuels. The ANP is responsible for granting concession rights to explore, develop and produce oil and natural gas in Brazil's sedimentary basins, through a transparent and competitive bidding process.

The ANP has held 12 bidding rounds since 1999 for exploration at Brazilian onshore and offshore petroleum fields. Round zero in 1998 marked the end of Petrobras's monopoly and opened up the Brazilian market for exploration and production for other players. Round 12 was held on November 28, 2013, with 72 onshore blocks successfully bid, an equal number of which were classified as "New Frontier Areas" and "mature" basins. The blocks cover over 47.4 square kilometers and are located in 5 basins. If the exploration proves successful and petroleum resources are found, ANP expects to grant a 27-year concession. Eight Brazilian and four foreign companies won these bids.

The first pre-salt bidding round was held on October 10, 2013, with the offering of the Libra area, located in the Santos Basin. The Libra area, which has an area of over 1,500 square kilometers, is expected to be the largest oil field in Brazil, with an estimate of eight to twelve billion recoverable barrels. The consortium formed by Petrobras (10%), Shell (20%), Total (20%), CNPC International Ltd., or CNPC, (10%) and CNOOC International Limited, or CNOOC, (10%) won the bid. The consortium shall deliver to the Brazilian federal government at least 41.65% of the surplus oil to be produced on site.

Concessionaires must pay the Brazilian federal government a signing bonus, a payment for occupying or retaining the areas, a special participation and royalties. The signing bonus, which must be paid upon execution of the concession agreement, is the amount offered by the winning bidder in the private auction. The payment for occupying and retaining the concession areas is determined by the respective bidding rules and must be paid

annually. The special participation is a special charge that the concessionaires must pay if there are high volumes of production and/or profitability from the oil fields. When applicable, the special participation varies from 0% to 4% of net revenue, as determined in the concession agreement, considering (1) the volume of production and (2) whether the block is located on firm ground, in shallow waters or in deep waters. Royalties generally are 5% to 10% of the reference prices for oil and natural gas, as established in the respective call for bids and the concession agreement.

Local content

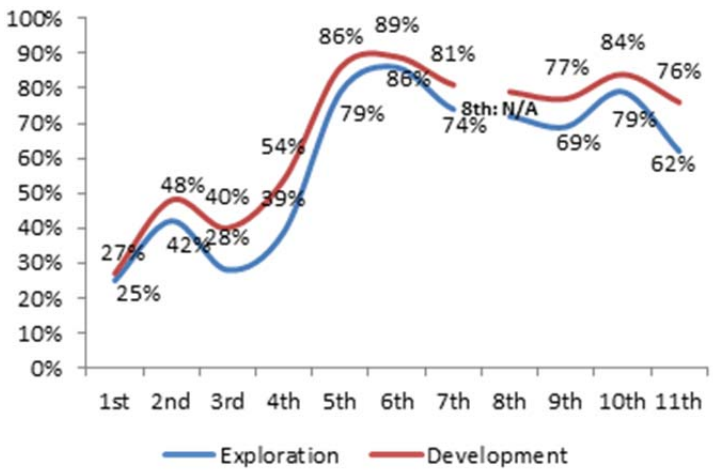
Definition of local content

Local content refers to the portion of the goods and services employed in exploring and developing oil and natural gas production that are effectively produced in the country, be it as a function of the labor involved in these activities or the materials employed in the manufacture of these goods. The requirement that oil and natural gas E&P concessionaires include a certain percentage of local content in the goods and services employed in their activities derives from Brazilian federal government policy. The objective is to increase the participation of domestic industry in the sector on a competitive basis, increase domestic capacity and technological development, increase local professional qualifications, and generate jobs and income. The local content requirement constitutes an important factor in the competition between participants in the ANP auctions for concession agreements for exploration, development and production of oil and natural gas. When analyzing the proposals presented by bidders, the ANP identifies the most advantageous proposals under the following three criteria: (1) signing bonus; (2) local content; and (3) the quantity of exploration activities that are promised in the Minimum Exploratory Program, or PEM. The points awarded to each offer are determined based on a weighted sum of the above criteria. It is important to note that local content was a point factor in all the bidding rounds. In the tenth round, for example, which took place in 2008, in which blocks in land-based basins both on new frontiers and in existing basins were offered, the calculation of the offers was as follows:

- The signing bonus counted for 40% of the final score;
- Local content counted for 20% of the final score, of which 5% was for the exploration phase and 15% for the development of production stage;
- The PEM counted for 40% of the final score.

In addition, since the fifth round, the ANP has set minimum percentages for local content, which must be observed by the bidders when presenting their offers. These minimum percentages vary depending on the location of the blocks offered in the bidding rounds, be it on land, in shallow waters or in deep waters. Despite the reduced weight of local content in the evaluation of the offers in recent years, the percentages of local content as established by the ANP have increased since the third round, as shown below:

Average % of local content offered in bidding processes



Source: ANP 11th Round Analysis Report, 2013

The percentage of local content offered by the winning bidder constitutes an obligation in the concession agreement signed with the ANP, as provided for in a specific local content requirement.

The local content clause

Concession agreements signed by the ANP with companies that win bidding rounds have a clause that governs the local content commitment. Under the local content requirement as of the seventh round, in contracting goods and services for the activities contemplated in the concession agreement, the concessionaire must observe the following general principles:

- include Brazilian suppliers among the companies invited to present proposals;
- make available in Portuguese or English the same specifications to all the companies invited to present proposals, and be willing to accept equivalent specifications, as long as these are within the standards for best practices in the oil industry, such that participation of Brazilian suppliers is not restricted, inhibited or impeded, and deliver all the other non-technical documents and correspondence in Portuguese to the invited Brazilian companies;
- guarantee to all the companies invited to present proposals an equal period suitable to the concessionaire's needs, for presenting proposals for the supply or production of the good or provision of the service, in accordance with the best practices in the oil industry, and so as not to exclude potential Brazilian suppliers;
- not demand technical competencies and additional certifications from Brazilian suppliers beyond those required of foreign suppliers;
- observe the local content requirement in the acquisition of goods and services supplied by affiliates, except in the cases of services that, under the best practices of the oil industry, are in the normal course realized by affiliates; and
- remain informed about Brazilian suppliers that may offer proposals for supply, seeking, whenever necessary, updated information about this universe of suppliers from business associations or syndicates or entities with known interest in the matter.

The local content requirement also contemplated situations in which the ANP may exempt the concessionaire from the local content commitment with respect to a given product or service.

The first such situation occurs when the concessionaire receives proposals with excessively high prices to acquire local goods and services for specific items and sub-items, when compared with the prices in the international market. In this case, the ANP, when solicited by the concessionaire, may, on an exceptional basis, authorize contracting that specific good or service overseas, exempting the concessionaire from the obligation to comply with the corresponding local content percentage.

The second such situation occurs when the concessionaire receives offers of periods for delivering specified local goods or services well above those available in the international market, which could compromise the timeline of the proposed activities. In this case also, the ANP, when solicited by the concessionaire, may, on an exceptional basis, authorize contracting that specific good or service overseas, exempting the concessionaire from the obligation to comply with the corresponding local content percentage.

The third such situation occurs when the concessionaire intends to use a new technology that was not available at the time of the auction. The ANP may, when solicited by the concessionaire, on an exceptional basis, give prior and express authorization to substitute the old technology and exempt the concessionaire from the obligation to comply with the local content for the specified activities that are being substituted by new technology, if it is not offered by local suppliers.

Other than these situations of simple exemption from the local content commitment with respect to a given good or service, there are also situations in which the local content requirement allows adjustments to the local content commitment. In fact, the local content requirement provides that during exploration and development, if for justified reasons adjustments are necessary with respect to the weight and to the percentage of the local content set forth in the items and sub-items of the spreadsheet presented in the auction, the concessionaire may request such amendments from the ANP.

In addition, if in the exploration phase the concessionaire makes local investments that result in a percentage of local content greater than that offered in the bidding, the ANP, upon request from the concessionaire, may, on an exceptional basis, give prior and express authorization to transfer this difference to the development stage, within the minimum percentages of local content established by the ANP for each item and sub-item. Whatever the case in each of these scenarios, the concessionaire continues to be obligated to comply with the overall percentage of local content offered in the auction bidding process, both for the exploratory phase and for the development of production.

The local content requirement also establishes that the concessionaire is responsible for the information with respect to compliance with the local content commitment. As such, the concessionaire, in its agreements to acquire goods and services, must cause the respective suppliers to certify the local content of the good or service that is being furnished and to maintain all the information necessary for a possible audit by the ANP of the certified local content. As previously mentioned, the certificates must be issued by certifying entities that have previously been credentialed by the ANP.

Certifying local content

With the objective of increasing its control over compliance with the local content requirement, the ANP created at the time of the seventh bidding round, the obligation to certify local content, pursuant to a regulation published on November 16, 2007. This regulation establishes the methodology for certification and the rules for credentialing the certifying entities with the ANP. The credentialed entities are responsible for measuring and informing the ANP of the local content of goods and services contracted by the concessionaires for activities for the exploration and development of production of oil and natural gas. The system was set forth in four resolutions: No. 36 (certifying local content), No. 37 (registering and credentialing the entities that certify local content), No. 38 (auditing companies authorized to certify local content) and No. 39 (reports on local investments in exploration and development of production in concession agreements as of the seventh round of bidding).

Penalties

In the event that the percentage committed to local content is not attained, the concessionaire is penalized by payment of a fine, calculated using a formula provided in the concession agreement. As of the seventh round, the fine for non-compliance with the percentage of local content has been calculated as follows:

- if the percentage of non-realized local content (NR%) is less than 65% of the amount offered, the fine is 60% of the amount of non-realized local content; and

- if the percentage of non-realized local content (NR%) is equal to or greater than 65% of the amount offered, the fine increases from 60% to 100% of the value of local content offered, if the percentage of non-realized local content is 100%.

The same criterion is applied in cases of non-compliance with the percentage of local content proposed for the items and sub-items specified in the spreadsheet presented in the auction, even though the overall percentage of local content offered has been realized. The criterion of the fine seeks to strongly discourage non-compliance with the local content in amounts greater than two thirds of the amount offered in the bid.

The sanction for non-compliance with the local content commitment is not exhausted by payment of the pecuniary fine above, since the concessionaire is also subject to other applicable administrative sanctions under Brazilian law, in particular ANP Ordinance No. 234/2003, which sets forth the procedure for imposing penalties applicable to those who violate the provisions and terms included in the concession agreements, the bidding announcements and the applicable legislation.

Environmental Regulation

In accordance with Brazilian environmental legislation, activities or ventures that use natural resources or that are deemed to be actually or potentially polluting are subject to environmental licensing requirements, under which the relevant environmental body analyzes location, facilities, expansion and operations of projects, as well as establishes conditions for project development. IBAMA is responsible for issuing environmental licenses for ventures or that are located or developed in Brazil and in neighboring countries, in the Brazilian territorial sea or continental shelf (such as offshore oil and gas exploration, development and production projects) , among others. IBAMA is the agency responsible for implementing environmental policy at the federal level. States and some municipalities have their own environmental agencies and have the power to analyze the proposed activities and

issue environmental licenses for E&P activities, as well as to impose restrictions and penalties, except in areas where IBAMA has exclusive jurisdiction.

Pursuant to Resolution No. 23 of December 7, 1994, of the Brazilian Council for the Environment (*Conselho Nacional do Meio Ambiente*), or CONAMA, the environmental licensing procedure for oil and natural gas exploration, development and production consists of four stages, through which the following licenses must be obtained: (1) pre-drilling license; (2) pre-research production license; (3) installation license; and (4) operating license. Acquisition of maritime seismic data and activities performed in transition zones (offshore and onshore areas) also require a license for seismic research, which are regulated under CONAMA Resolution No. 350, of July 6, 2004. The license for seismic research, the preliminary drilling license and the preliminary license of production for research are required to be obtained prior to the installation and operation of activities.

The installation license authorizes the beginning of construction of the production and outlet facilities. The operating license authorizes the start-up and maintenance of operational activities, and must be renewed periodically.

Moreover, on October 26, 2011, the Brazilian Environmental Ministry (*Ministério do Meio Ambiente*) issued Ordinance No. 422/2011, which aims to establish procedures for federal environmental licensing of oil and gas E&P activities located on marine environment and land-sea transition zone. Pursuant to this ordinance, IBAMA may issue the following licenses: (1) license for seismic research; (2) operating license for drilling activities; (3) preliminary, installation and operational licenses for extended well tests (*Testes de Longa Duração*); and (4) preliminary, installation and operational licenses for oil and gas production. Ordinance No. 422/2011 also establishes which environmental studies must be prepared by the entrepreneurs in accordance with the characteristics of the activity.

In addition, pursuant to CONAMA Resolution No. 306 of July 5, 2002, as amended by CONAMA Resolution No. 381 of December 14, 2006, oil platforms and its support facilities are subject to mandatory independent environmental audits. Failure to maintain a valid environmental license is classified as an administrative infraction and environmental crime. Any delays or denials by the environmental licensing authority in issuing or renewing licenses, as well as the inability to meet the requirements established by the environmental authorities during the environmental licensing process, may harm or even prevent the construction and regular development of the applicable activity. The environmental licensing of oil and natural gas exploration, development and production activities is subject to, among several other requirements, the preparation of environmental studies, such as an Environmental Impact Study (*Estudo e Relatório de Impacto Ambiental*), or EIA/RIMA, as well as the implementation of mitigating and compensatory measures for the environmental impacts caused by the ventures or activities. As a compensatory measure, we are also obligated to allocate funds for the implementation and maintenance of conservation areas, which is evaluated by the competent environmental agency on the basis of Federal Decree No. 6,848/2009 and must not exceed the value of 0.5% (one half percent) of the total cost involved for the construction of the facility.

The licensing procedure described in the paragraphs above applies to Petrobras's activities, including the operation of the Vessels, as the holder of the oil and gas exploration concessions in Brazil. The environmental licenses, as well as mitigating and compensatory measures referred to herein are to be implemented by Petrobras, in its capacity as the holder of the oil and gas exploration concessions.

In October 22, 2013, the Federal Government adopted the Brazilian Contingency Plan for Oil Pollution Incidents; or NCP, regulated under the Federal Decree No. 8,127, to address pollution of Brazilian waters from incidents such as that which occurred in the Gulf of Mexico. The NCP aims at reducing the response time for oil pollution incidents and reducing significant damages to the environment, setting forth several provisions to define the organizational structures and responsibilities of entities connected with the NCP. For the NCP to be operational, several measures need to be taken, such as the preparation of the NCP manual and of complementary regulations in six months, and development of the Oil Pollution Incidents System by IBAMA in eighteen months. The response actions in case of oil pollution incidents are of the polluter's responsibility, as well as the reimbursement of the costs incurred by the public authorities during clean up actions. Thus, once operational, the NCP is expected to have a greater impact on the ongoing and future activities of E&P concessionaires such as Petrobras, and less so on existing assets that have already been constructed, such as those owned by the Project Companies and operated by the Operator.

Environmental Liabilities under Brazilian Law

Under Brazilian law, individuals or entities whose conduct or activities cause harm to the environment are subject to criminal and administrative sanctions, as well as the obligation to pay for the costs to repair the actual damages resulting from such harm (indemnification rights are available in the cases where damages cannot be repaired). Those who commit a crime against the environment are subject to penalties and sanctions that range from fines to imprisonment (for individuals) or suspension or interruption of activities or prohibition from entering into any contracts with governmental bodies for up to ten years (for legal entities). The government environmental protection agencies also impose administrative sanctions for those who do not comply with environmental laws and regulations, including, among others:

- fines (from R$50.00 up to R$50.0 million, or double or triple such amount in the event non-compliance is recurring);
- partial or total suspension of activities;
- obligations to fund recovery works and environmental projects;
- forfeiture or restriction of tax incentives or benefits;
- closing of the establishments or ventures; and
- forfeiture or suspension of participation in credit lines with government credit establishments.

Civil liability under the environmental sphere is strict and joint, according to the provisions of Law No. 6,938 of August 31, 1981 and the Brazilian civil code. In other words, the polluter, whether directly or indirectly responsible for the environmental damage, may be held liable, regardless of the existence of factual fault. The only issue that must be proven is causation between the environmental damage and that party's activities. The joint nature of the liability permits only one of the concurring agents to be held liable for all the damages, irrespective of its level of participation in the act causing the damage, and it has guaranteed recourse against the other agents. Accordingly, civil liability may be imposed against the Issuer, the Project Companies, the Operator or other entity that has effectively contributed to the harm to the environment, regardless of criminal or administrative sanctions that may be imposed to wrongdoers. There is no statute of limitation for the recovery of environmental damages.

INDUSTRY OVERVIEW

Offshore Oil and Gas Services Industry Overview

The offshore services market is largely driven by investments in exploration and production of oil and gas reservoirs, which is affected by forecasts of oil and gas prices, the availability of acreage for exploration and the cash flow of oil companies. These related matters are, in turn, affected by various political and economic factors, such as global production levels, prices of alternative energy sources, government policies and political stability in oil producing countries, among others.

Between 2006 and 2007, the strong global economy, coupled with an increase in oil demand, led to growth in the drilling and subsea services industry between 2007 and 2008. In 2008 and 2009, the world financial crisis and the consequent drop in oil demand have decreased the industry's prospects.

Since 2010, however, the steady rise in oil prices, along with better financing conditions for new investments, has led to increased demand for drilling equipment and services. Moreover, the resumption of a trend towards more unconventional reservoirs and the exploratory appeal of specific areas (especially offshore) contributed even more to this growth in demand. Currently, approximately 15% of global spending in oil and gas is directed offshore, particularly to deep waters, which is more expensive than drilling in shallow water.

Oil and Gas Fundamentals

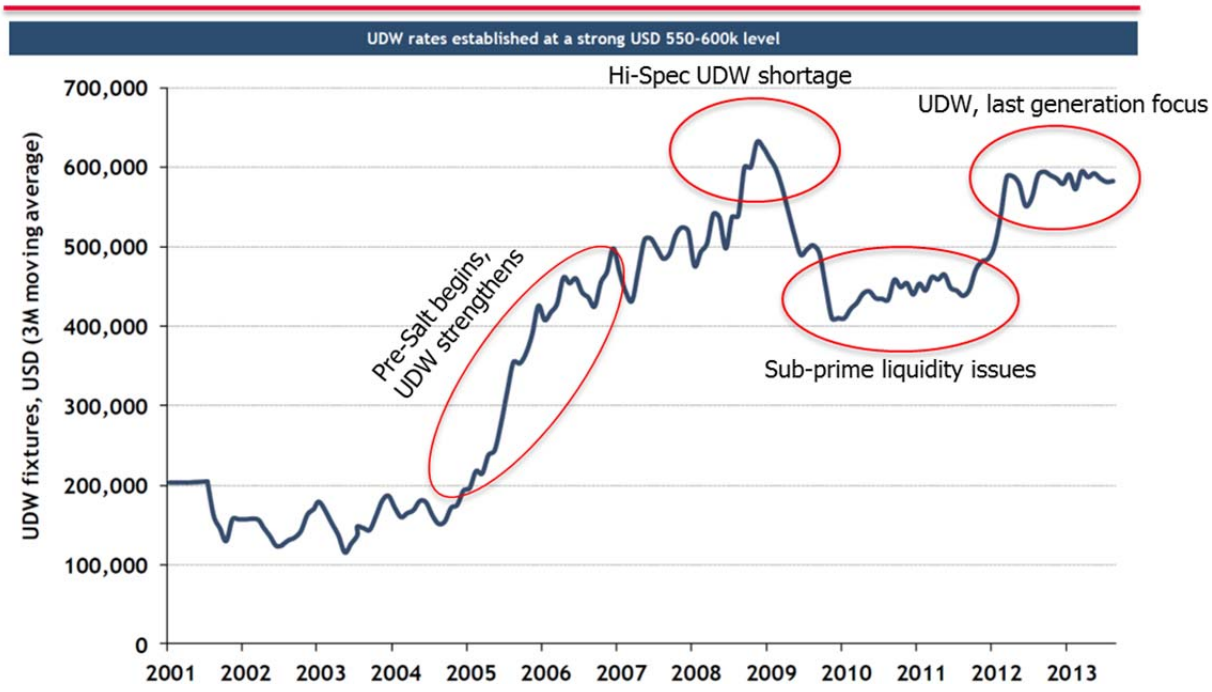
Demand

According to the IEA, the demand for oil and oil derivatives is expected to continue to grow steadily in the coming years, reaching about 99 million barrels per day (mb/d) by 2035, 12 mb/d higher than in 2011. Much of the growth is expected to come from non-OECD countries (mostly the BRIC countries of Brazil, Russia, India and China), with approximately half of the increased demand coming from China. As shown in the graph below, consumption levels are significantly lower in less developed regions, signaling considerable room for growth in consumption.

Historical and Forecasted Global Demand

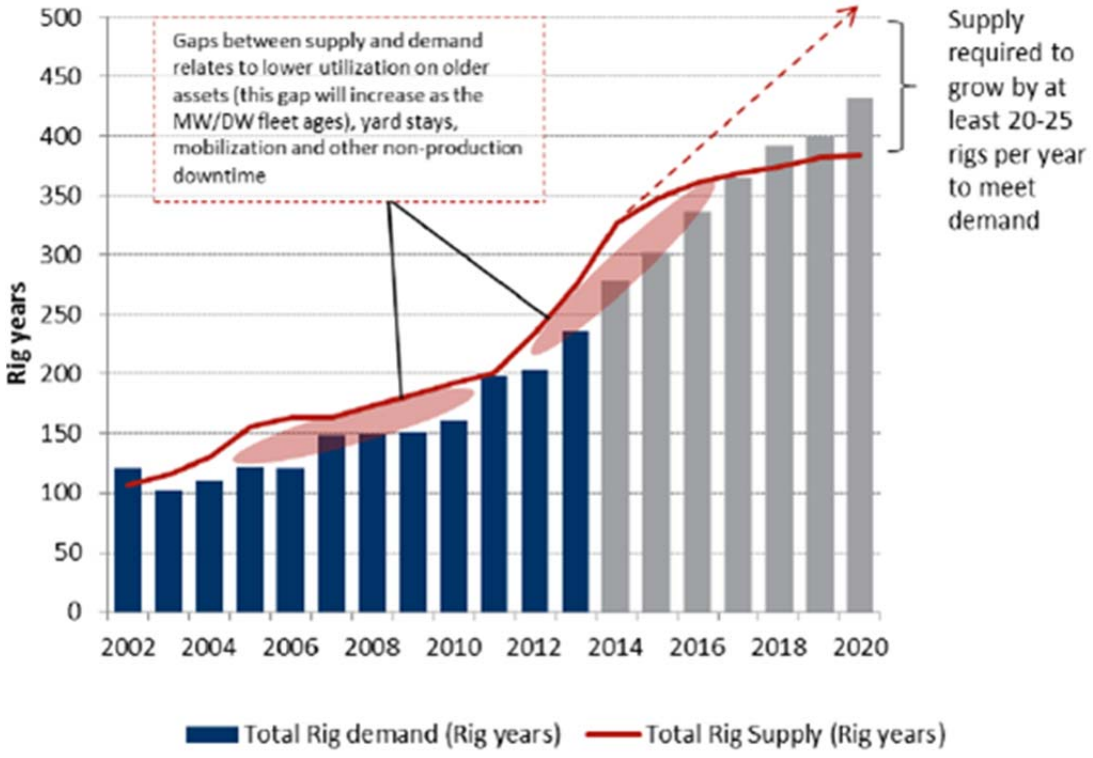
Historically, day rates for deepwater rigs have tracked increases in oil and liquids production. Globally, deepwater oil and gas production increased from less than 1 mboe per day in 2000 to current production of approximately 4-4.5 mboe per day. During the same period, daily rates for ultradeepwater rigs increased by approximately 200%

The following chart shows the increase in daily charter rates in the ultradeepwater rig market from 2001 to 2013.



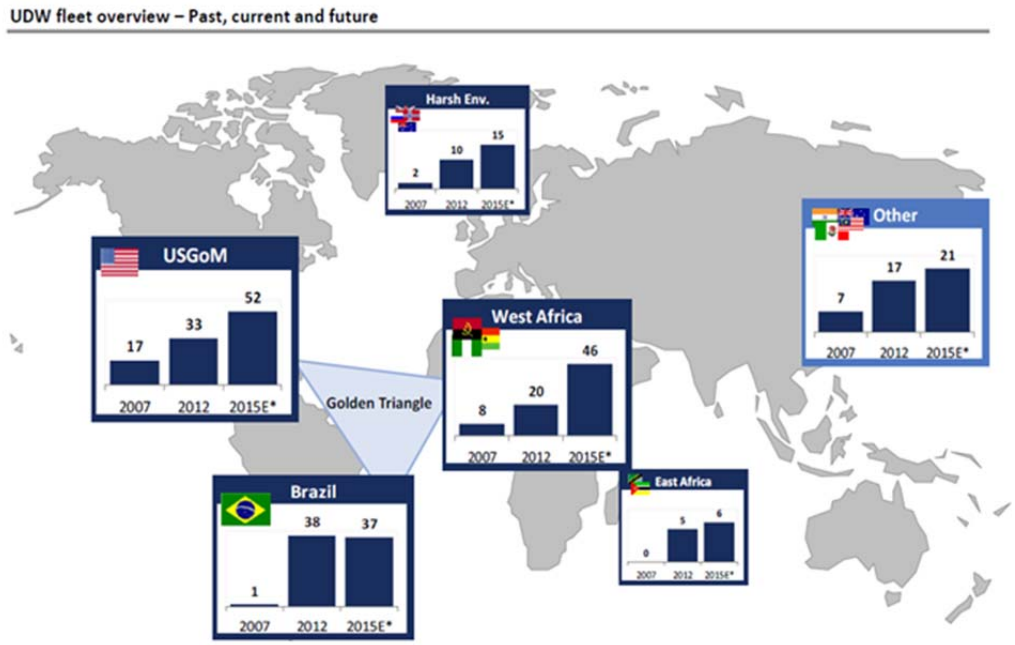
Source: Arctic Securities.

The following chart shows global historical and forecasted supply and demand for mobile offshore drilling rigs.



Source: RS Platou Markets.

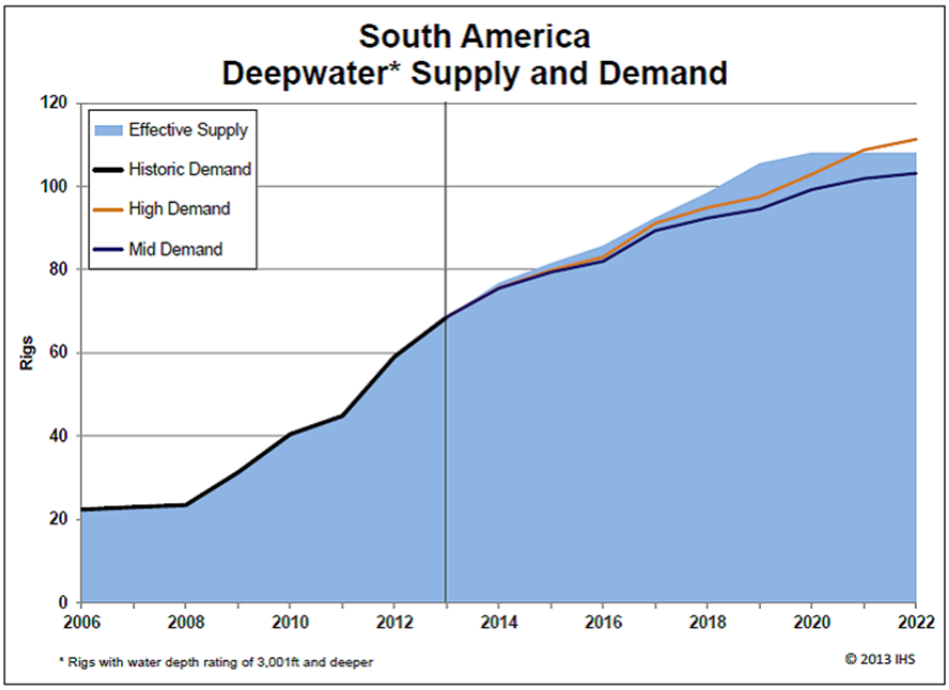
The following chart shows the ultradeepwater fleet by region in 2007 and 2012, with fleet estimates for 2015.



Source: Pareto Research

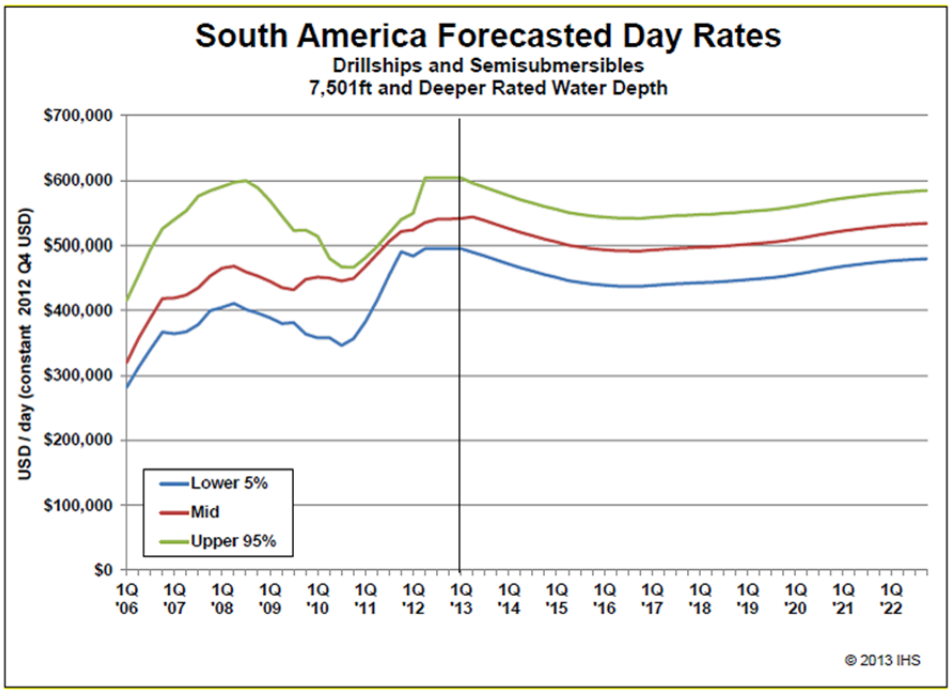
South America

The following chart shows historical and forecasted supply and demand in South America for deepwater rigs capable of operating at water depths of at least 1,000 meters.



Source: IHS, Inc.

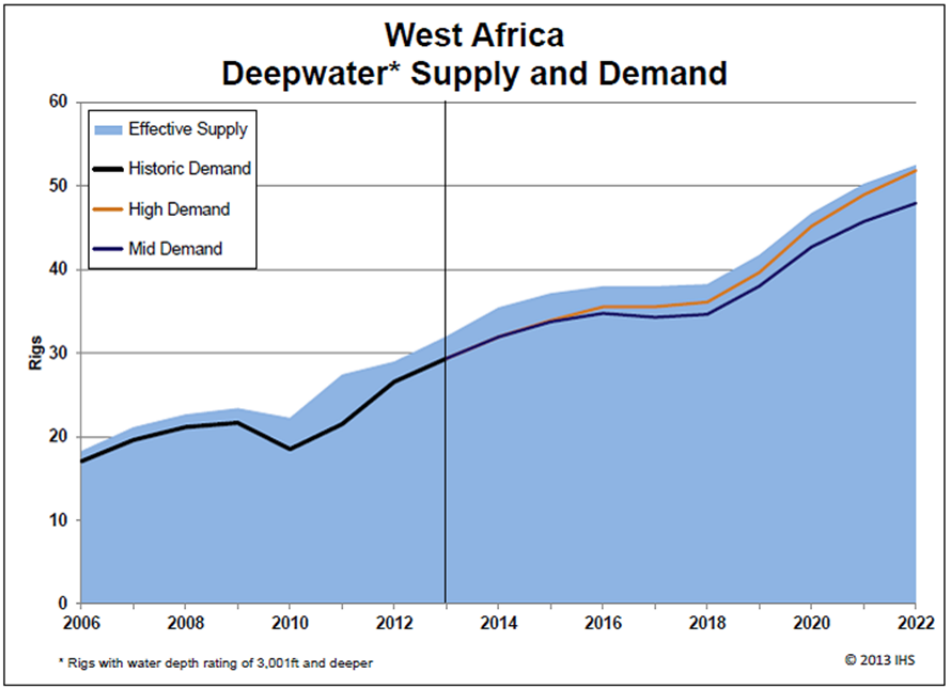
The following chart shows historical and forecasted day rates in South America for deepwater rigs capable of operating at water depths of at least 1,000 meters as measured in constant U.S. dollars as of the fourth quarter of 2012.



Source: IHS, Inc.

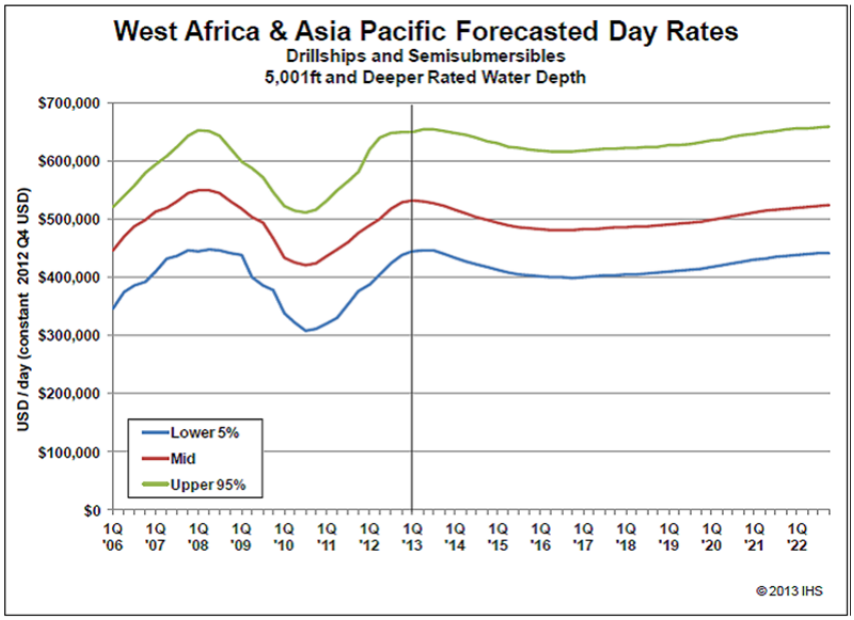
West Africa

The following chart shows historical and forecasted supply and demand in West Africa for deepwater rigs capable of operating at water depths of at least 1,000 meters.



Source: IHS, Inc.

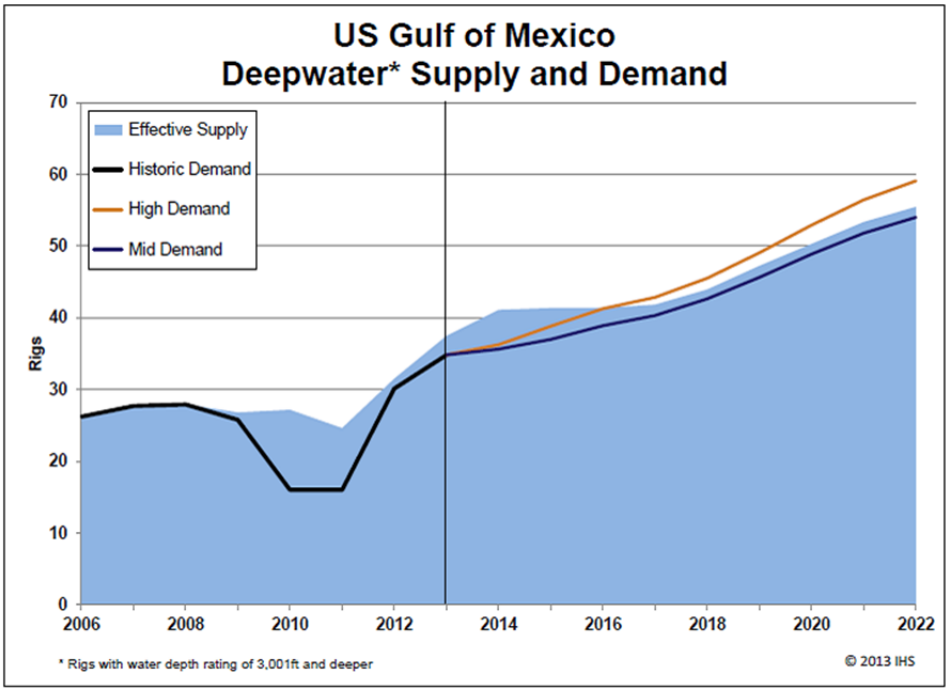
The following chart shows historical and forecasted day rates in West Africa and the Asia Pacific region for deepwater rigs capable of operating at water depths of at least 1,000 meters as measured in constant U.S. dollars as of the fourth quarter of 2012.



Source: IHS, Inc.

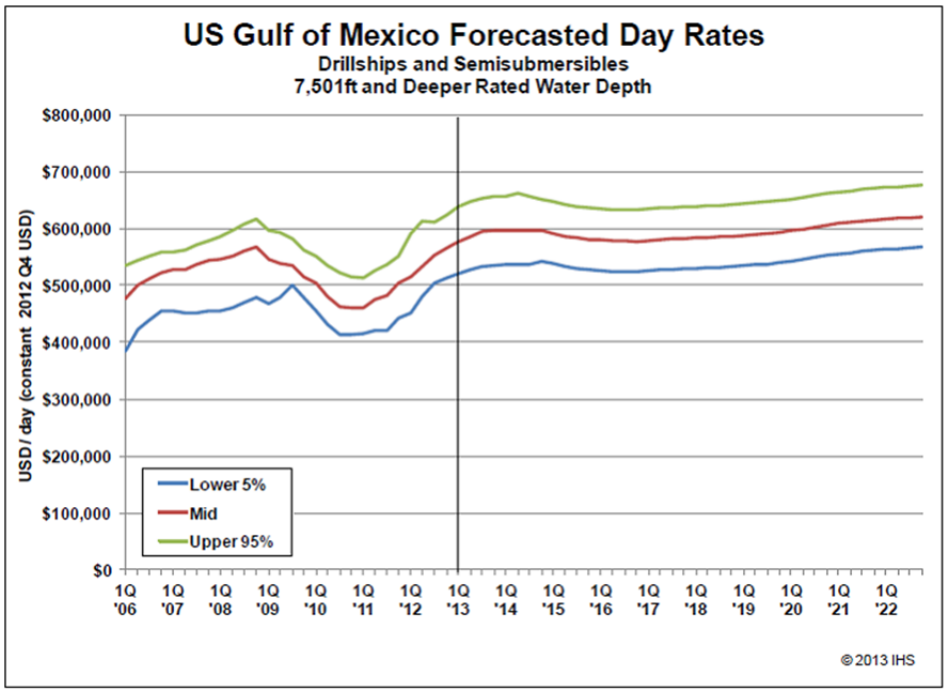
North America

The following chart shows historical and forecasted supply and demand in the Gulf of Mexico for deepwater rigs capable of operating at water depths of at least 1,000 meters.



Source: IHS, Inc.

The following chart shows historical and forecasted day rates in the Gulf of Mexico for deepwater rigs capable of operating at water depths of at least 1,000 meters as measured in constant U.S. dollars as of the fourth quarter of 2012.

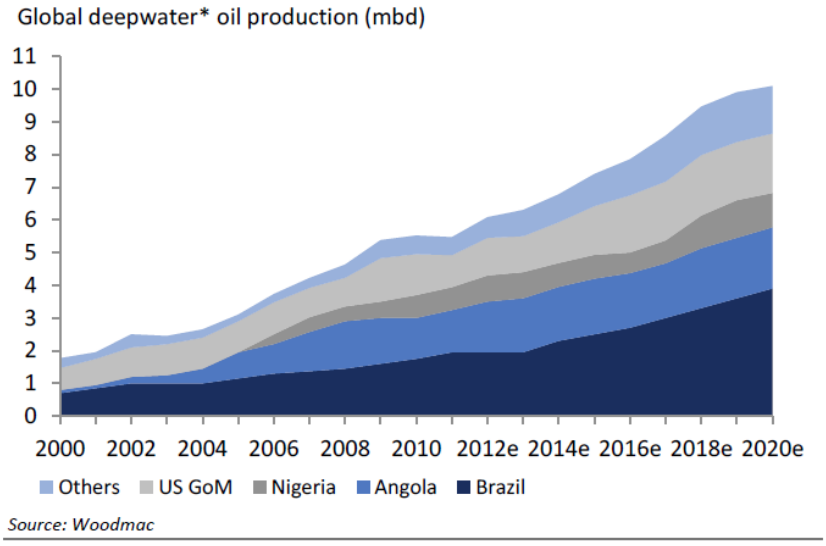


Source: IHS, Inc.

Ultradeepwater Drilling Market

The ultradeepwater drilling market remains largely underpenetrated, as 70% of the total area with deepwater exploration potential in the world remains unlicensed. Currently, 60% of new ultradeepwater drilling units are being used in deepwater and midwater exploration. As new exploration areas move into the field discovery phase, we expect the demand for ultradeepwater drilling vessels to increase further and global deepwater production increase is expected to take place primarily in Brazil, the west coast of Africa, specifically, Angola and Nigeria, and the Gulf of Mexico. Brazil is expected to account for almost two-thirds of the world's discoveries.

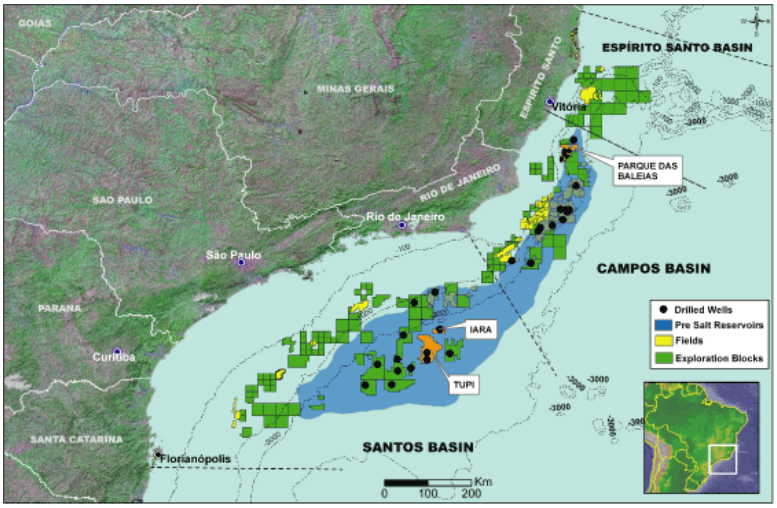
The chart below shows the historical and estimated deepwater oil productions:



Brazil Overview

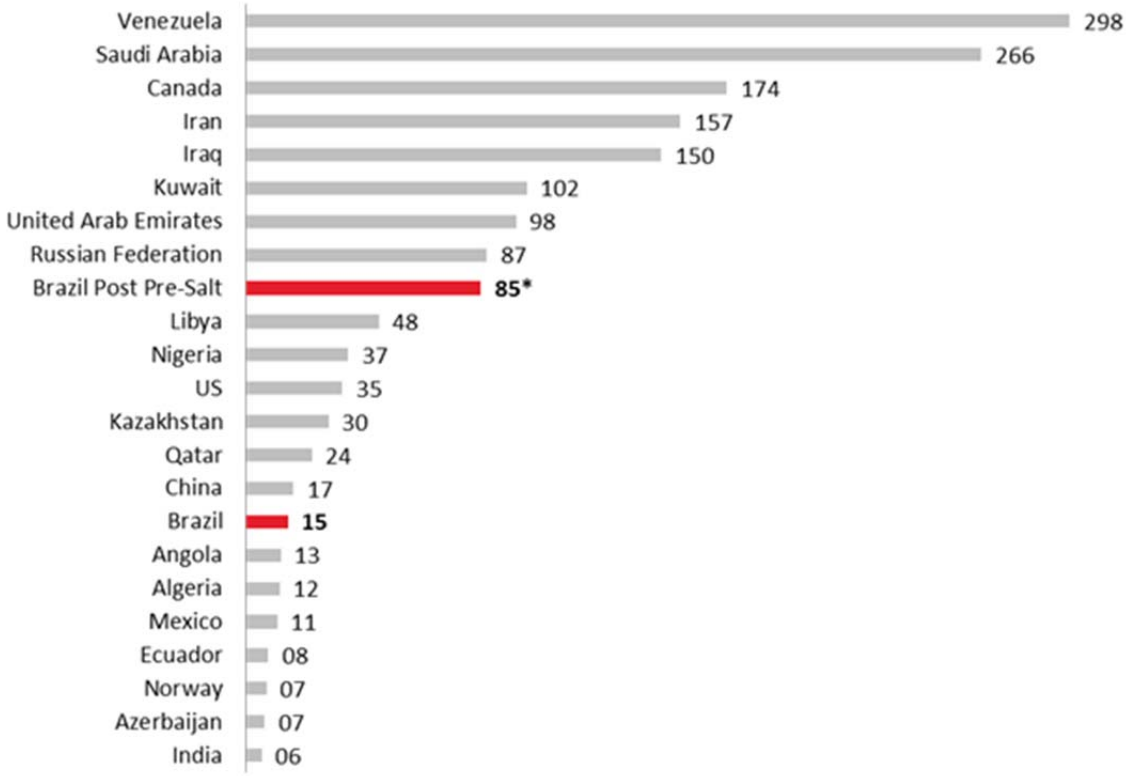
Even before pre-salt discoveries, proven reserves in Brazil were expanding. From 1991 to 2012, Petrobras's proven reserves experienced a CAGR of 4.7%. Following the discovery of the pre-salt fields in 2008, Brazilian oil and gas exploration has seen a notable increase in offshore activity.

The pre-salt layer is comprised of promising oil reserves offshore, between 5,000 and 7,000 meters below the sea surface, in an offshore area of approximately 150,000 square kilometers within the Espírito Santo, Campos and Santos basins in the States of Espírito Santo, Rio de Janeiro and São Paulo, respectively. The denomination "pre-salt" is due the location of the oil beneath thick layers of rock and salt. The shaded area in the map below shows the location of the Brazilian pre-salt layer.



Source: Petrobras

The pre-salt discovery will potentially add 70-100 bboe to Brazilian oil reserves, putting Brazil among the countries with the largest reserves in the world.



* Estimated reserves

Source: BP Statistical Review of World Energy 2013 and Brazilian Ministry of Energy and Natural Resources

Overview of offshore drilling rigs industry

Offshore drilling rigs are classified according to their main characteristics and features, including: the rig type, drilling depth, the blowout capacity or the year it was built (generation).

Rig type

- Jack-up rigs are mobile bottom-supported self-elevating drilling platforms that stand on three legs on the seabed. When the rig needs to move from one location to another, it will jack itself down on the water until it floats, and will be towed to its next location. A modern jack-up will normally have the ability to move its drill floor aft of its own hull so that multiple wells can be drilled at open water locations or over wellhead platforms without repositioning the rig. Ultra-premium jack-up rigs are rigs with enhanced operational capabilities that can work in water depths over 300 feet.

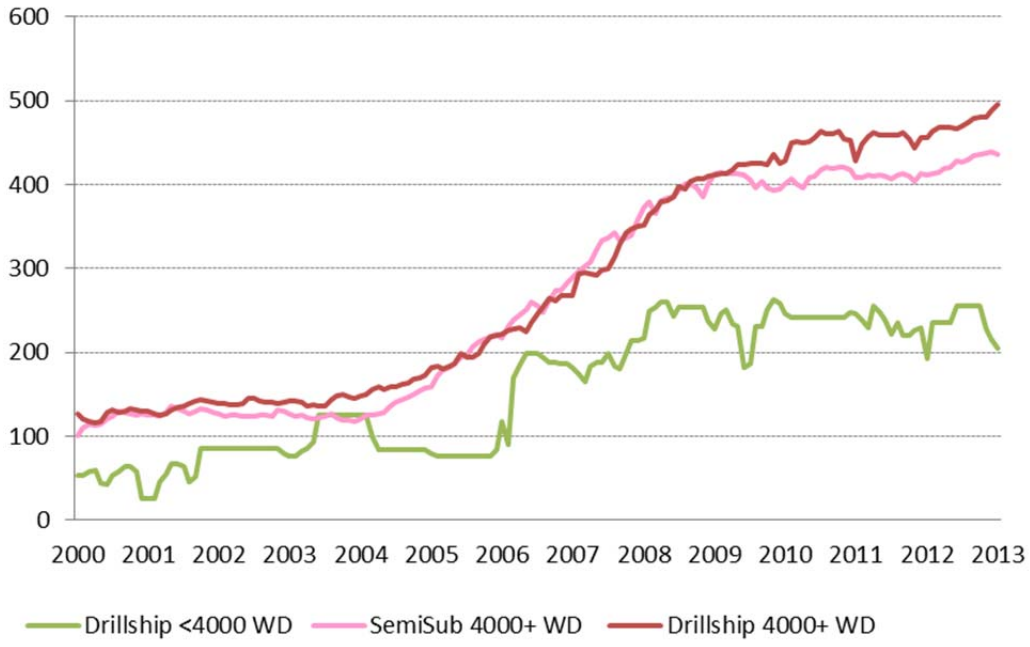
- Semi-submersible rigs are floating platforms that feature a ballasting system that can vary the draft of the partially submerged hull from a shallow transit draft to a predetermined operational and/or survival draft (50 - 80 feet) when drilling operations are underway at a well location. This reduces the rig's exposure to ocean conditions (waves, winds and currents) and increases stability. Semi-submersible rigs maintain their position above the wellhead either by means of a conventional mooring system, consisting of anchors and chains and/or cables, or by a computerized dynamic positioning system. Semi-submersible rigs may have no propulsion capability or propulsion assistance (and thereby require the use of a supply vessel or similar vessel for transit between locations) or be self-propelled, having the ability to relocate independently of a towing vessel.

- Drillships are ships with on-board propulsion machinery, often constructed for drilling in deepwater. They are based on conventional ship hulls, generally from former tanker ships, with certain modifications. Drilling operations are conducted through openings in the hull, namely moon pools. Drillships normally have a higher load capacity than semi-submersible rigs and are well suited to offshore drilling in remote areas due to their mobility and high load capacity. Like semi-submersible rigs, drillships can be equipped with conventional mooring systems or dynamic positioning systems.

- Tender rigs have been used in South East Asia, West Africa and the Middle East for 30 years for drilling development wells from fixed platforms. Inherent in the self-erecting tender rig, or SETR, concept is that equipment required to support the drilling operation such as power, living quarters, etc., is located on the tenders, while only equipment actually needed for drilling such as the derrick, topdrive, BOP, etc. are installed on the platforms. Compared to the use of a platform rig the design load and required deck area of using a SETR is thus only about one-fourth of that needed for a platform rig of comparable capacity. So far tender rigs have mainly been used for development drilling in water depths of up to 800 feet and this will most likely remain their main application in the near term.

Drilling companies are contracted by E&P companies through agreements that set forth the day rates. These rates typically cover chartering and operational services associated with the drilling rig. The day rates are influenced by the utilization rate of the fleet (the number of rigs in use as a percentage of the total fleet) and also by the equipment's location, as transportation costs are very high.

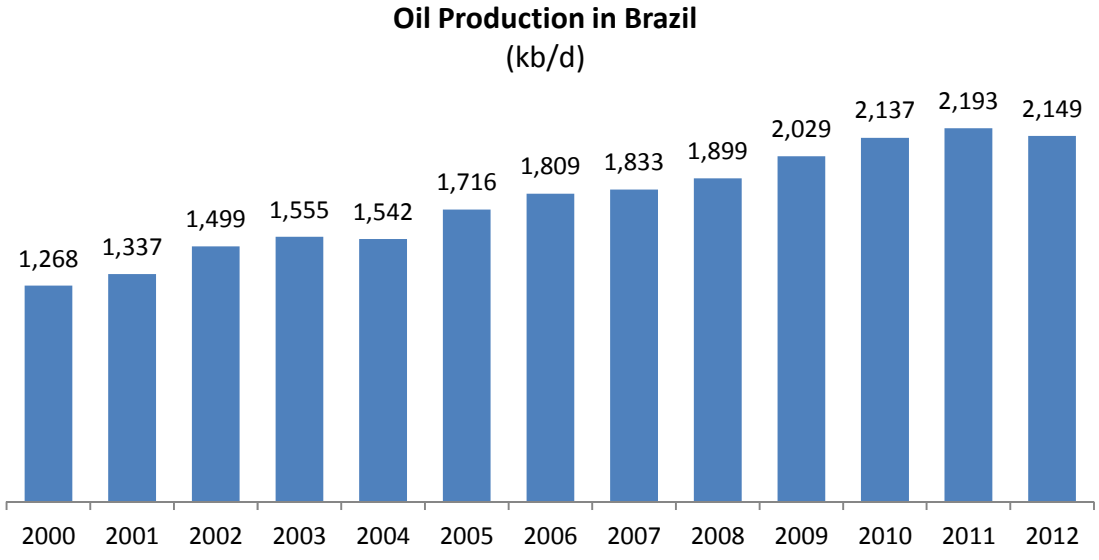
The high demand for offshore rigs, combined with the high utilization of existing fleet, led prices to increase by approximately 250% between 2006 and 2013. The graph below shows day rates for rigs capable of drilling at depths above 1,500 meters.



Source: Bloomberg.

Strong demand perspectives for rigs in Brazil

The offshore oil vessels business has been responsive to the rise of oil prices and consumption. In Brazil, oil production increased significantly in the period from 2006 to 2011. This is in part a consequence of favorable macroeconomic conditions in Brazil in recent years which have led to significant growth of the middle class income.



Source: BP Statistical Review of World Energy 2013

Petrobras

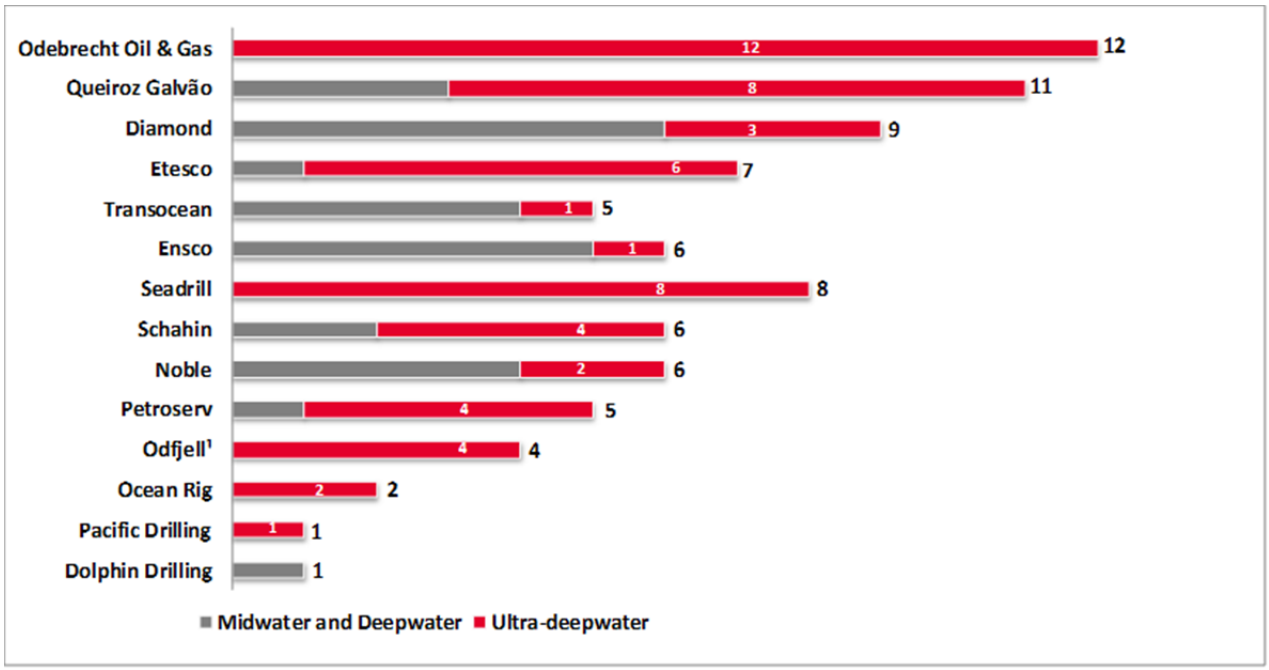
Currently, Petrobras is the dominant oil and gas company in Brazil, and is responsible for almost all of the Brazilian offshore production. Nevertheless, important international companies have also established operations in Brazil in recent years. Some of these are already producing oil and gas, and others are in the early stages of exploration and development. International companies that currently have stakes in pre-salt blocks include, Anadarko, Petrogal (Galp), BG Group, Repsol, Total, CNPC and CNOOC.

In order to develop the pre-salt production potential, Petrobras has announced in its 2013-2017 business plan aggregated budgeted capital expenditures of U.S.$148 billion in exploration and production, or 62% of its total estimated capital expenditures over this period. A total of U.S.$52 billion is budgeted to be allocated in pre-salt exploration and production, or 33.5% of its E&P investments in the period. A significant portion of this amount should contribute to a significant demand of offshore drilling rigs through the next years.

The discovery of the pre-salt is expected to contribute significantly to increased oil and gas production in Brazil in the next five to eight years, which is expected to result in increased demand for drilling vessels in the corresponding period.

As of January 2013, we have contracted to Petrobras more rigs than any other oil and gas services company. The chart below shows a breakdown of the companies contracted by Petrobras for drilling rigs and the types of rigs they provide:

Drilling Rigs contracted with Petrobras, as of January 2014 (including Sete Brasil)



Source: IHS, Inc.
1 – Includes 3 drillships in a JV with Galvão Engenharia for Sete Brasil
Note: Includes 4 rigs owned and operated by Petrobras and 7 rigs to be built for Sete Brasil that are not shown on the bar graph

Concessions

Since 1999, 12 bidding rounds have been held for exploration at Brazilian onshore and offshore petroleum fields.

The first pre-salt bidding round was held on October 10, 2013, with the offering of the Libra area, located in the Santos Basin. The Libra area, which has an area of over 1,500 square kilometers, is expected to be the largest oil field in Brazil, with an estimate of eight to twelve billion recoverable barrels. The consortium formed by Petrobras (10%), Shell (20%), Total (20%), CNPC (10%) and CNOOC (10%) won the bid.

Round 11 showed promising client diversification potential in the Brazilian oil and gas exploration industry: while Petrobras was the highest bidder, acquiring 34 blocks for a price of R$538 million, BG and Total acquired 10 offshore blocks each, for a price of R$415 million and R$372 million, respectively, located off the coast of Maranhão and Amapá. For further information on concessions, see "Regulatory Overview—Brazilian Oil and Gas Regulatory Overview—Regulation of the oil and natural gas sector."

Sete Brasil

Sete Brasil is an investment company specialized in asset portfolio management targeted at the oil and gas sector in the Brazilian offshore area, especially those related to the Brazilian pre-salt. The company is 100% Brazilian, and is the first to contract to build exploration rigs domestically. Sete Brasil has become the world's largest company in ultra-deepwater rigs (by number of rigs under contract to be constructed) and the largest global player in offshore drilling (by backlog of contracts) with more than U.S.$80 billion in contracts. Odebrecht Oil & Gas has entered into a partnership with Sete Brasil pursuant to which subsidiaries of Sete Brasil in which the Operator indirectly holds 15% of the shares are having five ultra-deepwater rigs constructed. Sete Brasil has a total of 28 rigs under construction or contracted to begin construction soon, in some cases with shipyards in Brazil that have not yet been themselves fully constructed. These rigs will all be chartered by Petrobras under long-term charter agreements. Other operators that have contracts with Sete Brasil to operate rigs in the future are Seadrill (three rigs), Odfjell (three rigs), Queiroz Galvão (three rigs), Etesco (five rigs), Petroserv (two rigs). The remainder of the 28 rigs are contracted to be operated by Petrobras. Sete Brasil plans to deliver the first rig in 2015. Sete Brasil will then deliver five rigs in 2016, ten rigs in 2017, four rigs in 2018 and eight rigs in 2019.

DESCRIPTION OF PRINCIPAL TRANSACTION DOCUMENTS

The following summary describes certain provisions of the Charter Agreements. These agreements are applicable to each of ODN I GmbH and Odebrecht Drilling Norbe VI LLC, each a Project Company and the Issuer for the purposes of the following summary. This summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the Charter Agreements and Services Agreements. The definitions of capitalized terms used in the following summary have the meanings ascribed to them in the relevant Charter Agreements and Services Agreements, as applicable.

Charter Agreements

Norbe VI Charter Agreement

On September 15, 2006, Petrobras entered into a charter agreement, the Norbe VI Charter Agreement, with COU, which was assigned to ODS in 2007 and subsequently assigned to the Norbe VI Project Company on June 11, 2012. The Norbe VI Charter Agreement sets forth the terms and conditions of the charter of the Norbe VI Drilling Rig to Petrobras. The Norbe VI Drilling Rig is being used by Petrobras to perform ultra-deepwater drilling rig operations offshore Brazil for drilling in water depths of up to 2,400 meters, with a total vertical drilling depth capacity of up to 7,500 meters.

Term

The initial term of the Norbe VI Charter Agreement commenced in July 2011. The initial term of the Norbe VI Charter Agreement was originally scheduled to expire on July 11, 2018 but has been extended to March 27, 2019 as a result of a unilateral extension exercised by Petrobras and is renewable for up to an additional seven years upon mutual agreement of the parties. In addition, pursuant to the terms of the Norbe VI Charter Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation.

Prices

Offshore charter payments are the payments to the Norbe VI Project Company under the Norbe VI Charter Agreement for the initial seven-year term of such agreement, based on the availability of the Norbe VI Drilling Rig and the period during which the Norbe VI Drilling Rig is utilized, at a day rate of U.S.$179,880 per day. The offshore charter payments are calculated by multiplying the day rate for the Norbe VI Drilling Rig times its availability expressed as a percentage of the number of days of availability in the applicable period. Maintenance work will cause suspension of the payment daily rate during the maintenance period. The current day rate under this agreement, after adjustment, is U.S.$192,472 per day.

The wait rate is equivalent to 90% of the day rate and shall be applied in certain situations, including total stoppage of production attributable to bad weather and delay by the Operator required in order to await orders from Petrobras, during resting time for Petrobras workers or third party workers acting at Petrobras' service and in other circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. In the event the Norbe VI Drilling Rig is unable to operate due to force majeure situations, Petrobras payments will be approximately as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments as of the 61st day. The moving rate is equivalent to 90% of the day rate. There is a one-time mobilization fee.

Type of rate	Approximate Percentage of Day Rate (%)	Original Amount (in U.S.$ thousands)
Day rate	100	179.9
Repair rate	—	—
Wait rate	90	161.9
Force Majeure rate one	80	143.9
Force Majeure rate two	50	89.9
Force Majeure rate three	—	—
Moving rate	90	161.9
Mobilization fee (1)	one-time	22,485.0

(1) This one-time fee has already been paid.

The day rate for the Norbe VI Charter Agreement will be adjusted by 100% of the accumulated CPI every four years in June of each year in which an adjustment is made. The table above does not reflect adjustments for CPI. The current day rate under the Norbe VI Charter Agreement is U.S.$192,472.

Petrobras may be exempted from payment of the charter rate in case of, among others, (1) the occurrence of a blowout or (2) the occurrence of a kick, loss of circulation or other issue, caused by culpable act or omission of the Project Companies and/or the Operator, duly proven, as from the verification of the problem until reestablishment of the situation prior to such occurrence. Such exemption will be restricted to a period of 45 days in the case of a blowout or 15 days in the case of a kick, after which the applicable rate will be reduced by 50% in both cases.

Fines

Petrobras may fine, by written notice, the Norbe VI Project Company in the following circumstances: (1) failure by the Norbe VI Project Company to meet delivery deadlines, will result in a fine equivalent to 30% of the day rate (no longer applicable, as delivery has been made) (2) delay in complying with contractual demands or requests from the inspection officer, within the term specified by Petrobras, will result in a fine equivalent to 20% of the day rate, (3) the amount corresponding to the sum of the values of default fines will be limited to 10% of the agreement amount, and (4) total failure to fulfill the object of the agreement, the Norbe VI Project Company will be fined, with written notification thereof, 10% of the total agreement amount.

We have negotiated with Petrobras the settlement of disputed fines relating to the late delivery of the Norbe VI Drilling Rig in an amount of U.S.$33.4 million. See “Business—Late Delivery Penalties.” Cash or one or more Reserve Account Letters of Credit in the amount of such penalties have been credited to the Norbe VI Offshore Penalty Reserve Account, which were pledged to the Collateral Agent for the benefit of the Secured Parties. Amounts on deposit in the Norbe VI Offshore Penalty Reserve Account will applied to the payment of such penalties pursuant to the Guarantor Accounts Agreement. See “Description of Notes—Accounts—Guarantors’ Accounts—Norbe VI Offshore Penalty Reserve Account.”

Force Majeure

In case of *force majeure*: (1) the parties will not be held responsible for obligations or losses, as defined in Article 393 of the Brazilian Code; (2) the party unable to fulfill its obligations will notify the other immediately in writing of the event; and (3) the term of interruption of the Charter will be added to the contractual term and during the period of interruption, and the parties will each independently take upon themselves their losses. However, the Project Parties are entitled to receive the wait rate and reimbursements provided for in the Norbe VI Charter Agreement. If the *force majeure* persists for more than 60 days either party may terminate the Norbe VI Charter Agreement by notification to the other.

Termination

Petrobras may terminate the Norbe VI Charter Agreement upon:

- Failure to comply with or improper compliance with contractual clauses, specifications or timeframes;
- Interruption of the charter without cause or prior communication to Petrobras;
- Total or partial assignment or subcontracting of the Norbe VI Charter Agreement without Petrobras’ prior consent, as well as partnership, merger, split-off, split-up, total, or partial takeover of the Norbe VI Project Company without prior notification to Petrobras;
- Repeated flawed performance, provided that the aggregate value of fines has reached 10% of the Norbe VI Charter Agreement value;
- Declaration of bankruptcy, dissolution or alteration of the corporate structure or modification of the corporate purpose, which according to Petrobras, adversely affects the performance of the charter;
- Failure by the Operator to present adequate assurances to Petrobras, at Petrobras’s discretion, after approval of the Operator’s judicial or extrajudicial reorganization;

- Suspension of the charter determined by the competent authorities to have been caused by the Norbe VI Project Company, which will be liable for any increase in costs resulting therefrom and for losses and damages that Petrobras incurs in consequence thereof;

- Delay in the beginning of the charter period for more than 365 days;

- Termination of the related Norbe VI Services Agreement;

- If the time for which Petrobras is exempt from charter payments due to performance incidents amounts to a total of 30% of any six-month period;

- If the Norbe VI Project Company remains under the repair rate for an aggregate period of 30% of any six-month period; or

- Shutdown of operations for over 60 days, for reasons imputable to Norbe VI Project Company, except in the case of shutdown due to fortuitous or force majeure cases.

The Norbe VI Project Company may terminate the Norbe VI Charter Agreement upon:

- Delay of payments due by Petrobras for more than 90 days, except in case of public calamity, serious public disturbance or war;

- Non-clearance by Petrobras of the location for the performance of the charter; or

- Termination of the related Norbe VI Services Agreement.

Set-Off

Under the Norbe VI Charter Agreement, Petrobras may set-off the amount of any penalties payable by the Norbe VI Project Company under any agreements with Petrobras against the amounts payable by Petrobras to the Norbe VI Project Company under the Norbe VI Charter Agreement.

Insurance

The Norbe VI Project Company and its affiliates are each responsible for obtaining property and casualty insurance for the Norbe VI Drilling Rig and related assets and equipment, as well as for obtaining liability insurance for third party damages. All required insurance must be obtained in accordance with the London Standard Drilling Barge Form — All Risk or The Nordic Marine Insurance Plan of 2013.

Environmental Liability and Indemnity

Pursuant to the Norbe VI Charter Agreement, (1) the liability of the Norbe VI Project Company for environmental claims is limited to U.S.$1.0 million for every occurrence of an oil spill, oil waste or other discharges into the sea and (2) the Norbe VI Project Company will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. Brazilian law, however, provides that the owner of an asset that has caused environmental damages may be held strictly and jointly liable for the related clean-up costs.

Governing Law; Dispute Resolution

There is no governing law clause in the Norbe VI Charter Agreement, but the Norbe VI Charter Agreement provides that all disputes arising thereunder are to be resolved in the courts of the City of Rio de Janeiro, Brazil. Therefore, it is expected that the Norbe VI Charter Agreement will be enforced under Brazilian law in such courts.

Upgrades

The Norbe VI Project Company and Operator have entered into amendments to the terms and conditions of the Norbe VI Charter Agreement and Norbe VI Services Agreement to allow certain improvements to be made to the Norbe VI Drilling Rig to offset the Petrobras penalties. These upgrades include installation of a managed pressure drilling/mud cap drilling system, or MPD/MCD system, and enhancement of the drilling capacity of the Norbe VI Drilling Rig to reach water depths of 2,400 meters.

Assignment

Petrobras may, without the consent of the Norbe VI Project Company or the Operator, assign the Norbe VI Charter Agreement to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

ODN Tay IV Charter Agreement

On April 18, 2008, Petrobras entered into a charter agreement, the ODN Tay IV Charter Agreement, with Delba, which was subsequently assigned to the ODN Tay IV Project Company on December 7, 2011. The ODN Tay IV Charter Agreement sets forth the terms and conditions of the charter of the ODN Tay IV Drilling Rig to Petrobras. The ODN Tay IV Drilling Rig is being used by Petrobras to perform ultra-deepwater drilling rig operations offshore Brazil for drilling in water depths of up to 2,400 meters, with a total vertical drilling depth capacity of up to 9,143 meters.

Term

The initial term of the ODN Tay IV Charter Agreement commenced in February 2013. The initial term of the ODN Tay IV Charter Agreement will be seven years, (though Petrobras may terminate after six years, subject to payment of a fine), with an option to extend for up to seven additional years in total upon mutual agreement of the parties. In addition, pursuant to the terms of the ODN Tay IV Charter Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation.

Prices

Offshore charter payments are the payments to the ODN Tay IV Project Company under the ODN Tay IV Charter Agreement for the seven-year term of such agreement, based on the availability of the ODN Tay IV Drilling Rig and the period during which the ODN Tay IV Drilling Rig is utilized, at a day rate of U.S.$315,000 per day. If Petrobras terminates the agreement after six years, it will pay the difference in the day rate for the six years in the amount of U.S.$4,500 per day. The offshore charter payments are calculated by multiplying the day rate for the ODN Tay IV Drilling Rig times its availability expressed as a percentage of the number of days of availability in the applicable period. Maintenance work will cause suspension of the payment daily rate during the maintenance period. The current day rate under this agreement, after adjustment, is U.S.$ 340,200 per day.

The wait rate is equivalent to 90% of the day rate and shall be applied in certain situations, including total stoppage of production attributable to bad weather and delay by the Operator required in order to await orders from Petrobras, during resting time for Petrobras workers or third party workers acting at Petrobras' service and in other circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. In the event the ODN Tay IV Drilling Rig is unable to operate due to *force majeure* situations, Petrobras payments will be approximately as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments as of the 61st day. The moving rate is equivalent to 90% of the day rate. There is a one-time mobilization fee.

Type of rate	Approximate Percentage of Day Rate (%)	Original Amount (in U.S.$ thousands)
Day rate	100	315.0
Repair rate	—	—
Wait rate	90	283.5
Force Majeure rate one	80	252.0
Force Majeure rate two	50	157.5
Force Majeure rate three	—	—
Moving rate	90	283.5
Mobilization fee (1)	one-time	21,600.0

(1) This one-time fee has already been paid.

The day rate for the ODN Tay IV Charter Agreement will be adjusted by 100% of the accumulated CPI every four years in October of each year in which an adjustment is made. The table above does not reflect adjustments for CPI. The current day rate under the ODN Tay IV Charter Agreement is U.S.$ 340,200.

Petrobras may be exempted from payment of the charter rate in case of, among others, (1) the occurrence of a blowout or (2) the occurrence of a kick, loss of circulation or other issue, caused by culpable act or omission of the Project Companies and/or the Operator, duly proven, as from the verification of the problem until reestablishment of the situation prior to such occurrence. Such exemption will be restricted to a period of 45 days in the case of a blowout or 15 days in the case of a kick, after which the applicable rate will be reduced by 50% in both cases.

Fines

Petrobras may fine, by written notice, the ODN Tay IV Project Company in the following circumstances: (1) failure by the ODN Tay IV Project Company to meet delivery deadlines, will result in a fine equivalent to 30% of the day rate (no longer applicable, as delivery has been made) (2) delay in complying with contractual demands or requests from the inspection officer, within the term specified by Petrobras, will result in a fine equivalent to 20% of the day rate, (3) the amount corresponding to the sum of the values of default fines will be limited to 10% of the agreement amount, and (4) total failure to fulfill the object of the agreement, the ODN Tay IV Project Company will be fined, with written notification thereof, 10% of the total agreement amount.

We have negotiated with Petrobras the settlement of disputed fines relating to the late delivery of the ODN Tay IV Drilling Rig in an amount of U.S.$69.4 million. See "Business—Late Delivery Penalties."

Force Majeure

In case of *force majeure*: (1) the parties will not be held responsible for obligations or losses, as defined in Article 393 of the Brazilian Code; (2) the party unable to fulfill its obligations will notify the other immediately in writing of the event and (3) the term of interruption of the Charter will be added to the contractual term and during the period of interruption, the parties will each independently take upon themselves their losses. However, the Project Parties are entitled to receive the wait rate and reimbursements provided for in the ODN Tay IV Charter Agreement. If the *force majeure* persists for more than 60 days either party may terminate the ODN Tay IV Charter Agreement by notification to the other.

Termination

Petrobras may terminate the ODN Tay IV Charter Agreement upon:

- Failure to comply with or improper compliance with contractual clauses, specifications or timeframes;
- Interruption of the charter without cause or prior communication to Petrobras;
- Total or partial assignment or subcontracting of the ODN Tay IV Charter Agreement without Petrobras' prior consent, as well as partnership, merger, split-off, split-up, total, or partial takeover of the ODN Tay IV Project Company without prior notification to Petrobras;
- Repeated flawed performance, provided that the aggregate value of fines has reached 10% of the ODN Tay IV Charter Agreement value;
- Declaration of bankruptcy, dissolution or alteration of the corporate structure or modification of the corporate purpose, which according to Petrobras, adversely affects the performance of the charter;
- Failure by the Operator to present adequate assurances to Petrobras, at Petrobras's discretion, after approval of the Operator's judicial or extrajudicial reorganization;
- Suspension of the charter determined by the competent authorities to have been caused by the ODN Tay IV Project Company, which will be liable for any increase in costs resulting therefrom and for losses and damages that Petrobras incurs in consequence thereof;
- Delay in the beginning of the charter period for more than 365 days;
- Termination of the related ODN Tay IV Services Agreement;
- If the time for which Petrobras is exempt from charter payments due to performance incidents amounts to a total of 30% of any six-month period;

- If the ODN Tay IV Project Company remains under the repair rate for an aggregate period of 30% of any six-month period; or

- Shutdown of operations for over 60 days, for reasons imputable to ODN Tay IV Project Company, except in the case of shutdown due to fortuitous or force majeure cases.

The ODN Tay IV Project Company may terminate the ODN Tay IV Charter Agreement upon:

- Delay of payments due by Petrobras for more than 90 days, except in case of public calamity, serious public disturbance or war;

- Non-clearance by Petrobras of the location for the performance of the charter; or

- Termination of the related ODN Tay IV Services Agreement.

Set-Off

Under the ODN Tay IV Charter Agreement, Petrobras may set-off the amount of any penalties payable by the ODN Tay IV Project Company under any agreements with Petrobras against the amounts payable by Petrobras to the ODN Tay IV Project Company under the ODN Tay IV Charter Agreement.

Insurance

The ODN Tay IV Project Company and its affiliates are each responsible for obtaining property and casualty insurance for the ODN Tay IV Drilling Rig and related assets and equipment, as well as for obtaining liability insurance for third party damages. All required insurance must be obtained in accordance with the London Standard Drilling Barge Form — All Risk or The Nordic Marine Insurance Plan of 2013.

Environmental Liability and Indemnity

Pursuant to the ODN Tay IV Charter Agreement, (1) the liability of the ODN Tay IV Project Company for environmental claims is limited to U.S.$1.0 million for every occurrence of an oil spill, oil waste or other discharges into the sea and (2) the ODN Tay IV Project Company will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. Brazilian law, however, provides that the owner of an asset that has caused environmental damages may be held strictly and jointly liable for the related clean-up costs.

Governing Law; Dispute Resolution

There is no governing law clause in the ODN Tay IV Charter Agreement, but the ODN Tay IV Charter Agreement provides that all disputes arising thereunder are to be resolved in the courts of the City of Rio de Janeiro, Brazil. Therefore, it is expected that the ODN Tay IV Charter Agreement will be enforced under Brazilian law in such courts.

Upgrades

The ODN Tay IV Project Company and Operator have entered into amendments to the terms and conditions of the ODN Tay IV Charter Agreement and ODN Tay IV Services Agreement to allow certain improvements to be made to the ODN Tay IV Drilling Rig to offset the Petrobras penalties. These upgrades include installation of a navigation communication system on the ODN Tay IV Drilling Rig.

Assignment

Petrobras may, without the consent of the ODN Tay IV Project Company or the Operator, assign the ODN Tay IV Charter Agreement to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

ODN I Charter Agreement

On July 25, 2008, Petrobras entered into a charter agreement, the ODN I Charter Agreement, with Delba, which was subsequently assigned to the ODN Project Company on June 18, 2010. The ODN I Charter Agreement sets forth the terms and conditions of the charter of the ODN I Drillship to Petrobras. The ODN I Drillship is being used

by Petrobras to perform ultra-deepwater drilling rig operations offshore Brazil for drilling in water depths of up to 10,000 meters, in a water depth of 3,000 meters.

Term

The initial term of the ODN I Charter Agreement commenced on September 2012 for an initial ten-year term. The initial term of the ODN I Charter Agreement will expire on September 10, 2022 and is renewable for up to an additional ten years upon mutual agreement of the parties. In addition, pursuant to the terms of the ODN I Charter Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation.

Prices

Offshore charter payments are the payments to the ODN Project Company under the ODN I Charter Agreement for the ten-year term of such agreement, based on the availability of the ODN I Drillship and the period during which the ODN I Drillship is utilized, at a day rate of U.S.$328,500 per day. The offshore charter payments are calculated by multiplying the day rate for the ODN I Drillship times its availability (as a percentage) times the number of days in the applicable period. Maintenance work will cause suspension of the payment daily rate during the maintenance period. The current day rate under this agreement, after adjustment, is U.S.$331,785 per day.

The wait rate is equivalent to 90% of the day rate and will be applied in certain situations, including total stoppage of production attributable to bad weather and delay required of the Operator in order to await orders from Petrobras, during resting time for Petrobras workers or third party workers acting at Petrobras' service and in other circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. In the event the ODN I Drillship is unable to operate due to force majeure situations, Petrobras payments will be approximately as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments as of the 61st day. The moving rate is equivalent to 90% of the day rate. There is a one-time mobilization fee.

Type of rate	Approximate Percentage of Day Rate (%)	Original Amount (in U.S.$ thousands)
Day rate	100	328.5
Repair rate	—	—
Wait rate	90	295.7
Force Majeure rate one	80	262.8
Force Majeure rate two	50	164.3
Force Majeure rate three	—	—
Moving rate	90	295.7
Mobilization fee (1)	one-time	25,550.0

(1) This one-time fee has already been paid.

The day rate for the ODN I Charter Agreement will be adjusted by 20% of the accumulated CPI for the first four years of the term and then every two years thereafter in April of each year in which an adjustment is made. The table above does not reflect adjustments for CPI. The current day rate under the ODN I Charter Agreement is U.S.$331,785.

Petrobras may be exempted from payment of the charter rate in case of, among others, (1) the occurrence of a blowout or (2) the occurrence of a kick, loss of circulation or other issue, caused by culpable act or omission of the Project Companies and/or the Operator, duly proven, as from the verification of the problem until reestablishment of the situation prior to such occurrence. Such exemption will be restricted to a period of 45 days in the case of a blowout or 15 days in the case of a kick, after which the applicable rate will be reduced by 50% in both cases.

Fines

Petrobras may fine, by written notice, the ODN Project Company in the following circumstances: (1) failure by the ODN Project Company to meet delivery deadlines, will result in a fine equivalent to 5% (first 90 days), 10% (between the 91st day and the 180th day), 20% (between the 181st day and the 270th day) or 30% (between the

271st day and the 365th day) of the day rate (no longer applicable, as delivery has been made) (2) delay in complying with contractual demands or requests from the inspection officer, within the term specified by Petrobras, will result in a fine equivalent to 20% of the day rate, (3) the amount corresponding to the sum of the values of default fines will be limited to 10% of the agreement amount, and (4) total failure to fulfill the object of the Agreement, the ODN Project Company will be fined, with written notification thereof, 10% of the total agreement amount.

On January 25, 2013, we entered into an agreement with Petrobras for the payment of fines under the Drillship Charter Agreements, pursuant to which we agreed to pay Petrobras U.S.$11.8 million and R$2.6 million under the ODN I Charter Agreement and Services Agreement, respectively, as a result of the late delivery of the ODN I Drillship. The agreement with Petrobras provided for the payment of the total amount in installments. A one-time payment of U.S.$7.0 million and R$ 2.6 million, respectively, was made in February 2013, and the remaining U.S.$4.9 million related to the ODN I Charter Agreement was divided into equal monthly payments to be made from April 2014 to December 2014. The Operator has negotiated with Petrobras to offset the amounts remaining of such penalties against the implementation of technical upgrades to the Drillships. Petrobras has agreed, in exchange for these upgrades, to cancel the remaining balance of the fines. See "Business—Late Delivery Penalties."

Force Majeure

In case of *force majeure*: (1) the parties will not be held responsible for obligations or losses, as defined in Article 393 of the Brazilian Code; (2) the party unable to fulfill its obligations will notify the other immediately in writing of the event and (3) the term of interruption of the Charter will be added to the contractual term and during the period of interruption, the parties will each independently take upon themselves their losses. However, the Project Parties are entitled to receive the wait rate and reimbursements provided for in the ODN I Charter Agreement. If the *force majeure* persists for more than 60 days either party may terminate the ODN I Charter Agreement by notification to the other.

Termination

Petrobras may terminate the ODN I Charter Agreement upon:

- Failure to comply with or improper compliance with contractual clauses, specifications or timeframes;
- Interruption of the charter without cause or prior communication to Petrobras;
- Total or partial assignment or subcontracting of the ODN I Charter Agreement without Petrobras's prior consent, as well as partnership, merger, split-off, split-up, total, or partial takeover of the ODN Project Company without prior notification to Petrobras;
- Repeated flawed performance, provided that the aggregate value of fines has reached 10% of the ODN I Charter Agreement value;
- Declaration of bankruptcy, dissolution or alteration of the corporate structure or modification of the corporate purpose, which according to Petrobras, adversely affects the performance of the charter;
- Failure by the Operator to present adequate assurances to Petrobras, at Petrobras's discretion, after approval of the Operator's judicial or extrajudicial reorganization;
- Suspension of the charter determined by the competent authorities to have been caused by the ODN Project Company, which will be liable for any increase in costs resulting therefrom and for losses and damages that Petrobras incurs in consequence thereof;
- Delay in the beginning of the charter period for more than 365 days;
- Termination of the related ODN I Services Agreement;
- If the time for which Petrobras is exempt from charter payments due to performance incidents amounts to a total of 30% of any six-month period;

- If the ODN Project Company remains under the repair rate for an aggregate period of 30% of any six-month period; or

- Shutdown of operations for over 60 days, for reasons imputable to the ODN Project Company, except in the case of shutdown due to fortuitous or force majeure cases.

The ODN Project Company may terminate the ODN I Charter Agreement upon:

- Delay of payments due by Petrobras for more than 90 days, except in case of public calamity, serious public disturbance or war;

- Non-clearance by Petrobras of the location for the performance of the charter; or

- Termination of the related ODN I Services Agreement.

Set-Off

Under the ODN I Charter Agreement, Petrobras may set-off the amount of any penalties payable by the ODN Project Company under any agreements with Petrobras against the amounts payable by Petrobras to the ODN Project Company under the ODN I Charter Agreement.

Insurance

The ODN Project Company and its affiliates are each responsible for obtaining property and casualty insurance for the ODN I Drillship and related assets and equipment, as well as for obtaining liability insurance for third party damages. All required insurance will be obtained in accordance with the London Standard Drilling Barge Form — All Risk or The Nordic Marine Insurance Plan of 2013.

Environmental Liability and Indemnity

Pursuant to the ODN I Charter Agreement, (1) the liability of the ODN Project Company for environmental claims is limited to U.S.$1.0 million for every occurrence of an oil spill, oil waste or other discharges into the sea and (2) the ODN Project Company will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. Brazilian law, however, provides that the owner of an asset that has caused environmental damages may be held strictly and jointly liable for the related clean-up costs.

Governing Law; Dispute Resolution

There is no governing law clause in the ODN I Charter Agreement, but the ODN I Charter Agreement provides that all disputes arising thereunder are to be resolved in the courts of the City of Rio de Janeiro, Brazil. Therefore, it is expected that the ODN I Charter Agreement will be enforced under Brazilian law in such courts.

Upgrades

The ODN Project Company and Operator have entered into amendments to the terms and conditions of the ODN I Charter Agreement and ODN I Services Agreement to allow certain improvements to be made to the ODN I Drillship to offset the Petrobras penalties. These upgrades include installation of an MPD/MCD system on the ODN I Drillship.

Assignment

Petrobras may, without the consent of the ODN Project Company or the Operator, assign the ODN I Charter Agreement to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

ODN II Charter Agreement

On July 25, 2008, Petrobras entered into a charter agreement, the ODN II Charter Agreement, with Delba, which was subsequently assigned to the ODN Project Company on June 18, 2010. The ODN II Charter Agreement sets forth the terms and conditions of the charter of the ODN II Drillship to Petrobras. The ODN II Drillship is being used by Petrobras to perform ultra-deepwater drilling rig operations offshore Brazil for drilling in water depths of up to 10,000 meters, in a water depth of 3,000 meters.

Term

The initial term of the ODN II Charter Agreement commenced on August 2012 for a ten-year term. The initial term of the ODN II Charter Agreement will expire on August 26, 2022 and is renewable for up to an additional ten years upon mutual agreement of the parties. In addition, pursuant to the terms of the ODN II Charter Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation.

Prices

Offshore charter payments are the payments to the ODN Project Company under the ODN II Charter Agreement for the ten-year term of such agreement, based on the availability of the ODN II Drillship and the period during which the ODN II Drillship is utilized, at a day rate of U.S.$328,500 per day. The offshore charter payments are calculated by multiplying the day rate for the ODN II Drillship times its availability (as a percentage) times the number of days in the applicable period. Maintenance work will cause suspension of the payment daily rate during the maintenance period. The current day rate under this agreement, after adjustment, is U.S.$331,785 per day.

The wait rate is equivalent to 90% of the day rate and will be applied in certain situations, including total stoppage of production attributable to bad weather and delay required of the Operator in order to await orders from Petrobras, during resting time for Petrobras workers or third-party workers acting at Petrobras' service and in other circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. In the event the ODN II Drillship is unable to operate due to *force majeure* situations, Petrobras payments will be approximately as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments as of the 61st day. The moving rate is equivalent to 90% of the day rate. There is a one-time mobilization fee.

Type of rate	Approximate Percentage of Day Rate (%)	Original Amount (in U.S.$ thousands)
Day rate	100	328.5
Repair rate	—	—
Wait rate	90	295.7
Force Majeure rate one	80	262.8
Force Majeure rate two	50	164.3
Force Majeure rate three	—	—
Moving rate	90	295.7
Mobilization fee (1)	one-time	25,550.0

(1) This one-time fee has already been paid.

The day rate for the ODN II Charter Agreement will be adjusted by 20% of the accumulated CPI for the first four years of the term and then every two years thereafter in April in each year in which an adjustment is made. The table above does not reflect adjustments for CPI. The current day rate under the ODN II Charter Agreement is U.S.$331,785.

Petrobras may be exempted from payment of the charter rate in case of, among others, (1) the occurrence of a blowout or (2) the occurrence of a kick, loss of circulation or other issue, caused by culpable act or omission of the Project Companies and/or the Operator, duly proven, as from the verification of the problem until reestablishment of the situation prior to such occurrence. Such exemption will be restricted to a period of 45 days in the case of a blowout or 15 days in the case of a kick, after which the applicable rate will be reduced by 50% in both cases.

Fines

Petrobras may fine, by written notice, the ODN Project Company in the following circumstances: (1) failure by the ODN Project Company to meet certain deadlines (the start of operations), will result in a fine equivalent to 5% (first 90 days), 10% (between the 91st day and the 180th day), 20% (between the 181st day and the 270th day) or 30% (between the 271st day and the 365th day) of the day rate (no longer applicable, as delivery has been made), (2) delay in complying with contractual demands or requests from the inspection officer, within the term specified by Petrobras, will result in a fine equivalent to 20% of the day rate, (3) the amount corresponding to the sum of the

values of default fines will be limited to 10% of the agreement amount, and (4) total failure to fulfill the object of the Agreement, the ODN Project Company will be fined, with written notification thereof, 10% of the total agreement amount.

On January 25, 2013, we entered into an agreement with Petrobras for the payment of fines under the Drillship Charter Agreements, pursuant to which we agreed to pay Petrobras U.S. $10.4 million and R$2.3 million under the ODN II Charter Agreement and Services Agreement, respectively, as a result of the late delivery of the ODN II Drillship. The agreement with Petrobras provided for the payment of the total amount in installments. A one-time payment of U.S.$5.5 million and R$2.3 million, respectively, was made in February 2013, and the remaining U.S.$4.9 million related to the ODN II Charter Agreement was divided into equal monthly payments to be made from April 2014 to December 2014. The Operator has negotiated with Petrobras to offset the amounts remaining of such penalties against the implementation of technical upgrades to the Drillships. Petrobras has agreed, in exchange for these upgrades, to cancel the remaining balance of the fines. See "Business—Late Delivery Penalties."

Force Majeure

In case of *force majeure*: (1) the parties will not be held responsible for obligations or losses, as defined in Article 393 of the Brazilian Code; (2) the party unable to fulfill its obligations will notify the other immediately in writing of the event and (3) the term of interruption of the Charter will be added to the contractual term and during the period of interruption, the parties will each independently take upon themselves their losses. However, the Project Parties are entitled to receive the wait rate and reimbursements provided for in the ODN II Charter Agreement. If the *force majeure* persists for more than 60 days either party may terminate the ODN II Charter Agreement by notification to the other.

Termination

Petrobras may terminate the ODN II Charter Agreement upon:

- Failure to comply with or improper compliance with contractual clauses, specifications or timeframes;
- Interruption of the charter without cause or prior communication to Petrobras;
- Total or partial assignment or subcontracting of the ODN II Charter Agreement without Petrobras's prior consent, as well as partnership, merger, split-off, split-up, total, or partial takeover of the ODN Project Company without prior notification to Petrobras;
- Repeated flawed performance, provided that the aggregate value of fines has reached 10% of the ODN II Charter Agreement value;
- Declaration of bankruptcy, dissolution or alteration of the corporate structure or modification of the corporate purpose, which according to Petrobras, adversely affects the performance of the charter;
- Failure by the Operator to present adequate assurances to Petrobras, at Petrobras's discretion, after approval of the Operator's judicial or extrajudicial reorganization;
- Suspension of the charter determined by the competent authorities to have been caused by the ODN Project Company, which will be liable for any increase in costs resulting therefrom and for losses and damages that Petrobras incurs in consequence thereof;
- Delay in the beginning of the charter period for more than 365 days;
- Termination of the related ODN II Services Agreement;
- If the time for which Petrobras is exempt from charter payments due to performance incidents amounts to a total of 30% of any six-month period;
- If the ODN Project Company remains under the repair rate for an aggregate period of 30% of any six-month period; or
- Shutdown of operations for over 60 days, for reasons imputable to the ODN Project Company, except in the case of shutdown due to fortuitous or force majeure cases.

The ODN Project Company may terminate the ODN II Charter Agreement upon:

- Delay of payments due by Petrobras for more than 90 days, except in case of public calamity, serious public disturbance or war;
- Non-clearance by Petrobras of the location for the performance of the charter; or
- Termination of the related ODN II Services Agreement.

Set-Off

Under the ODN II Charter Agreement, Petrobras may set-off the amount of any penalties payable by the ODN Project Company under any agreements with Petrobras against the amounts payable by Petrobras to the ODN Project Company under the ODN II Charter Agreement.

Insurance

The ODN Project Company and its affiliates are each responsible for obtaining property and casualty insurance for the ODN II Drillship and related assets and equipment, as well as for obtaining liability insurance for third party damages. All required insurance will be obtained in accordance with the London Standard Drilling Barge Form — All Risk or The Nordic Marine Insurance Plan of 2013.

Environmental Liability and Indemnity

Pursuant to the ODN II Charter Agreement, (1) the liability of the ODN Project Company for environmental claims is limited to U.S.$1.0 million for every occurrence of an oil spill, oil waste or other discharges into the sea and (2) the ODN Project Company will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. Brazilian law, however, provides that the owner of an asset that has caused environmental damages may be held strictly and jointly liable for the related clean-up costs.

Governing Law; Dispute Resolution

There is no governing law clause in the ODN II Charter Agreement, but the ODN II Charter Agreement provides that all disputes arising thereunder are to be resolved in the courts of the City of Rio de Janeiro, Brazil. Therefore, it is expected that the ODN II Charter Agreement will be enforced under Brazilian law in such courts.

Upgrades

The ODN Project Company and Operator have entered into amendments to the terms and conditions of the ODN II Charter Agreement and ODN II Services Agreement to allow certain improvements to be made to the ODN II Drillship to offset the Petrobras penalties. These upgrades include installation of an MPD/MCD system on the ODN II Drillship.

Assignment

Petrobras may, without the consent of the ODN Project Company or the Operator, assign the ODN II Charter Agreement to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

Services Agreements

Norbe VI Services Agreement

The Norbe VI Services Agreement was entered into on September 15, 2006 between Petrobras and CNO, and assigned to the Operator on April 20, 2007. The Norbe VI Services Agreement sets forth the terms and conditions of the services to be rendered by the Operator to Petrobras including the drilling, assessment, completion, and maintenance of petroleum and gas wells and the installation of spare parts and maintenance of the equipment of the Norbe VI Drilling Rig by crew members in Brazilian waters. The Operator will maintain an operations base in Macaé to meet its obligations under the Norbe VI Services Agreement.

The Operator will comply with Petrobras's standards relating to labor and safety standards in the performance of the Norbe VI Services Agreement and will indemnify Petrobras against any claims brought by its or third party

employees working on the Norbe VI Drilling Rig. The Operator will comply with minimum local workforce requirements, which should cover 100% of the Norbe VI Drilling Rig's workforces by the sixth anniversary of the Norbe VI Services Agreement.

Price

Onshore service payments are the payments to the Operator under the Norbe VI Services Agreement for the initial seven-year term of such agreement based on the availability of the Norbe VI Drilling Rig and the period during which it is utilized, at a day rate of R$268,669 per day for the Norbe VI Drilling Rig. The onshore service payments are calculated by multiplying the day rate for the Norbe VI Drilling Rig times its availability (as a percentage) times the number of days in the applicable period. The current day rate under this agreement, after adjustment is R$335,970 per day.

The wait rate is equivalent to 90% of the day rate and will be applied in certain situations, including total stoppage of production attributable to bad weather and delay required of the Operator in order to await orders from Petrobras, during resting time for Petrobras workers or third party workers acting at Petrobras' service and in other circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. In the event the Norbe VI Drilling Rig is unable to operate due to *force majeure* situations, Petrobras payments will be approximately as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments as of the 61st day. The moving rate is equivalent to 90% of the day rate. Some maintenance works will cause the suspension of the day rate during the maintenance period.

Type of rate	Percentage of Day Rate (%)	Original Amount (in R$ thousands)
Day rate	100	268.7
Repair rate	—	—
Wait rate	90	241.8
Force Majeure rate (1)	80	214.9
Force Majeure rate (2)	50	134.4
Force Majeure rate (3)	—	—
Moving rate	90	241.8

The day rate under the Norbe VI Services Agreement will be adjusted annually in June of each year by a basket of indices, 50% of which is composed of the INPC, 20% of which is composed of the IPA and 30% of which is composed of the fluctuation of the U.S. Dollar exchange rate during the applicable period. The table above does not reflect the adjustments described in the preceding sentence. The current day rate under the Norbe VI Services Agreement is R$335,970 per day.

Fees payable to the Operator under the Norbe VI Services Agreement will be calculated on the basis of monthly usage reports prepared by Petrobras and agreed by the Operator. Those fees will be paid monthly by Petrobras in *reais* upon the presentation of invoices to Petrobras by the Operator. Petrobras will have the right to withhold payments to offset against operating claims under the Norbe VI Services Agreement.

Term

The term of the Norbe VI Services Agreement commenced upon the acceptance of the Norbe VI Drilling Rig by Petrobras. The initial term of the Norbe VI Services Agreement was originally scheduled to expire on July 11, 2018 but will be extended to March 27, 2019 as a result of a unilateral extension exercised by Petrobras and is renewable for up to an additional seven years. The initial term of the Norbe VI Services Agreement commenced in July 2011. In addition, pursuant to the terms of the ODN Tay IV Services Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation.

Termination

The Norbe VI Services Agreement may be terminated by Petrobras, upon the occurrence of:

- Failure to comply with or improper compliance with contractual clauses, specifications, operations or timeframes;

- Delays in the performance of the Norbe VI Services Agreement that give Petrobras cause to believe the Operator may not be able to meet its obligations under the Norbe VI Services Agreement in the stipulated timeframe;

- Unjustified delay in the commencement of services;

- Interruption of services without prior notice to Petrobras or without justification;

- Total or partial assignment or subcontracting of the performance of the Norbe VI Services Agreement without Petrobras's consent, or merger or reorganization of the Operator without notice to Petrobras;

- Failure to comply with requirements imposed by Petrobras's agents who are supervising and inspecting the work;

- Repeated flawed performance, provided that the aggregate value of fines has reached 10% of the Norbe VI Services Agreement value;

- Declaration of bankruptcy, dissolution or alteration of the corporate structure or modification of the corporate purpose, which according to Petrobras, adversely affects the performance of the Services Agreement;

- Failure by the Operator to present adequate assurances to Petrobras, at Petrobras's discretion, after approval of the Operator's judicial or extrajudicial reorganization plan;

- Suspension of the services by the competent authorities caused by the Operator, which will be liable for any increased costs and losses and damages incurred by Petrobras;

- Failure by the Operator to present evidence of compliance with labor and social security obligations;

- Delay in the commencement of the Norbe VI Services Agreement greater than 365 days;

- Termination of the related Norbe VI Charter Agreement;

- If the ODN Project Company remains under the repair rate for an aggregate period of 30% of any six-month period; or

- Shutdown of operations of over 60 days caused by the Operator, unless due to force majeure. Petrobras will be allowed to withhold any amounts payable to the Operator under the agreement to offset any damages caused by early termination.

- The Norbe VI Services Agreement may be terminated by the Operator upon the occurrence of:

- Suspensions in the contract requested by Petrobras for a period longer than 120 days;

- Delays in the payment of the services fees by Petrobras for more than 90 days, except in case of public calamity, serious public disturbance or war;

- Failure by Petrobras to provide the Operator with the location for the performance of the services; or

- Termination of the related Norbe VI Charter Agreement.

Set-Off

Under the Norbe VI Services Agreements, Petrobras may set-off the amount of any penalties payable by the Operator under any agreements with Petrobras against the amounts payable by Petrobras to the Operator or any Guarantor under the Norbe VI Services Agreements. The Operator is currently party to other services agreements with Petrobras, any of which could give rise to penalties that could be set-off against payments due by Petrobras under the Norbe VI Services Agreements.

Environmental Liability

The Norbe VI Project Company and the Operator are liable for damages to third-parties relating to oil spills, wastes and other forms of pollution or environmental damage in an amount of up to U.S.$1.0 million for each occurrence. In addition, the Norbe VI Project Company and the Operator will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. Brazilian law, however, provides that the owner of an asset that has caused environmental damages may be held strictly and jointly liable for the related clean-up costs.

Insurance

The Operator and its affiliates are responsible for obtaining property and casualty insurance in connection to their assets and personnel working on the Norbe VI Drilling Rig, including for transportation of supplies and equipment. The Operator and its affiliates will also be co-insured in the liability insurance for third party damages to be obtained by the Norbe VI Drilling Rig pursuant to the Norbe VI Charter Agreement.

Governing Law; Dispute Resolution

There is no governing law clause in the Norbe VI Services Agreement, but the Norbe VI Services Agreement provides that all disputes arising thereunder are to be resolved in the courts of the City of Rio de Janeiro, Brazil. Therefore, it is expected that the Norbe VI Services Agreement will be enforced under Brazilian law in such courts.

Upgrades

The Norbe VI Project Company and Operator have entered into amendments to the terms and conditions of the Norbe VI Charter Agreement and Norbe VI Services Agreement to allow certain improvements to be made to the Norbe VI Drilling Rig to offset the Petrobras penalties. These upgrades include installation of an MPD/MCD system and enhancement of the drilling capacity of the Norbe VI Drilling Rig to reach water depths of 2,400 meters.

Assignment

Petrobras may, without the consent of the Norbe VI Project Company or the Operator, assign the Norbe VI Services Agreement to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

ODN Tay IV Services Agreement

The ODN Tay IV Services Agreement was entered into on April 18, 2008 between Petrobras and Delba Serviços, and assigned to the Operator on December 7, 2011. The ODN Tay IV Services Agreement sets forth the terms and conditions of the services to be rendered by the Operator to Petrobras including the drilling, assessment, completion, and maintenance of petroleum and gas wells and the installation of spare parts and maintenance of the equipment of the ODN Tay IV Drilling Rig by crew members in Brazilian waters. The Operator will maintain an operations base in Macaé to meet its obligations under the ODN Tay IV Services Agreement.

The Operator will comply with Petrobras's standards relating to labor and safety standards in the performance of the ODN Tay IV Services Agreement and will indemnify Petrobras against any claims brought by its or third party employees working on the ODN Tay IV Drilling Rig. The Operator will comply with minimum local workforce requirements, which should cover 100% of the ODN Tay IV Drilling Rig's workforces by the sixth anniversary of the ODN Tay IV Services Agreement.

Price

Onshore service payments are the payments to the Operator under the ODN Tay IV Services Agreement for the seven-year term of such agreement based on the availability of the ODN Tay IV Drilling Rig and the period during which it is utilized, at a day rate of R$63,378 per day for the ODN Tay IV Drilling Rig. The onshore service payments are calculated by multiplying the day rate for the ODN Tay IV Drilling Rig times its availability (as a percentage) times the number of days in the applicable period. The current day rate under this agreement, after adjustment is R$82,245 per day.

The wait rate is equivalent to 90% of the day rate and will be applied in certain situations, including total stoppage of production attributable to bad weather and delay required of the Operator in order to await orders from Petrobras, during resting time for Petrobras workers or third-party workers acting at Petrobras' service and in other

circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. In the event the ODN Tay IV Drilling Rig is unable to operate due to *force majeure* situations, Petrobras payments will be approximately as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments as of the 61st day. The moving rate is equivalent to 90% of the day rate. Some maintenance works will cause the suspension of the day rate during the maintenance period.

Type of rate	Percentage of Day Rate (%)	Original Amount (in R$ thousands)
Day rate	100	63.4
Repair rate	—	—
Wait rate	90	57.0
Force Majeure rate (1)	80	50.7
Force Majeure rate (2)	50	31.7
Force Majeure rate (3)	—	—
Moving rate	90	57.0

The day rate under the ODN Tay IV Services Agreement will be adjusted annually in October of each year by a basket of indices, 50% of which is composed of the INPC, 20% of which is composed of the IPA and 30% of which is composed of the fluctuation of the U.S. Dollar exchange rate during the applicable period. The table above does not reflect the adjustments described in the preceding sentence. The current day rate under the ODN Tay IV Services Agreement is R$82,245 per day.

Fees payable to the Operator under the ODN Tay IV Services Agreement will be calculated on the basis of monthly usage reports prepared by Petrobras and agreed by the Operator. Those fees will be paid monthly by Petrobras in *reais* upon the presentation of invoices to Petrobras by the Operator. Petrobras will have the right to withhold payments to offset against operating claims under the ODN Tay IV Services Agreement.

Term

The initial term of the ODN Tay IV Services Agreement commenced in February 2013. The initial term of the ODN Tay IV Services Agreement will be seven years but Petrobras may terminate after six years, subject to payment of a fine and is renewable for up to an additional seven years upon mutual agreement of the parties. In addition, pursuant to the terms of the ODN Tay IV Services Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation.

Termination

The ODN Tay IV Services Agreement may be terminated by Petrobras, upon the occurrence of:

- Failure to comply with or improper compliance with contractual clauses, specifications, operations or timeframes;
- Delays in the performance of the ODN Tay IV Services Agreement that give Petrobras cause to believe the Operator may not be able to meet its obligations under the ODN Tay IV Services Agreement in the stipulated timeframe;
- Unjustified delay in the commencement of services;
- Interruption of services without prior notice to Petrobras or without justification;
- Total or partial assignment or subcontracting of the performance of the ODN Tay IV Services Agreement without Petrobras's consent, or merger or reorganization of the Operator without notice to Petrobras;
- Failure to comply with requirements imposed by Petrobras's agents who are supervising and inspecting the work;
- Repeated flawed performance, provided that the aggregate value of fines has reached 10% of the ODN Tay IV Services Agreement value;

- Declaration of bankruptcy, dissolution or alteration of the corporate structure or modification of the corporate purpose, which according to Petrobras, adversely affects the performance of the Services Agreement;

- Failure by the Operator to present adequate assurances to Petrobras, at Petrobras's discretion, after approval of the Operator's judicial or extrajudicial reorganization plan;

- Suspension of the services by the competent authorities caused by the Operator, which will be liable for any increased costs and losses and damages incurred by Petrobras;

- Failure by the Operator to present evidence of compliance with labor and social security obligations;

- Delay in the commencement of the ODN Tay IV Services Agreement greater than 365 days;

- Termination of the related ODN Tay IV Charter Agreement;

- If the ODN Tay IV Project Company remains under the repair rate for an aggregate period of 30% of any six-month period; or

- Shutdown of operations of over 60 days caused by the Operator, unless due to force majeure. Petrobras will be allowed to withhold any amounts payable to the Operator under the agreement to offset any damages caused by early termination.

- The ODN Tay IV Services Agreement may be terminated by the Operator upon the occurrence of:

- Suspensions in the contract requested by Petrobras for a period longer than 120 days;

- Delays in the payment of the services fees by Petrobras for more than 90 days, except in case of public calamity, serious public disturbance or war;

- Failure by Petrobras to provide the Operator with the location for the performance of the services; or

- Termination of the related ODN Tay IV Charter Agreement.

Set-Off

Under the ODN Tay IV Services Agreements, Petrobras may set-off the amount of any penalties payable by the Operator under any agreements with Petrobras against the amounts payable by Petrobras to the Operator or any Guarantor under the ODN Tay IV Services Agreements. The Operator is currently party to other services agreements with Petrobras, any of which could give rise to penalties that could be set-off against payments due by Petrobras under the ODN Tay IV Services Agreements.

Environmental Liability

The ODN Tay IV Project Company and the Operator are liable for damages to third-parties relating to oil spills, wastes and other forms of pollution or environmental damage in an amount of up to U.S.$1.0 million for each occurrence. In addition, the ODN Tay IV Project Company and the Operator will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. Brazilian law, however, provides that the owner of an asset that has caused environmental damages may be held strictly and jointly liable for the related clean-up costs.

Insurance

The Operator and its affiliates are responsible for obtaining property and casualty insurance in connection to their assets and personnel working on the ODN Tay IV Drilling Rig, including for transportation of supplies and equipment. The Operator and its affiliates will also be co-insured in the liability insurance for third party damages to be obtained by the ODN Tay IV Drilling Rig pursuant to the ODN Tay IV Charter Agreement.

Governing Law; Dispute Resolution

There is no governing law clause in the ODN Tay IV Services Agreement, but the ODN Tay IV Services Agreement provides that all disputes arising thereunder are to be resolved in the courts of the City of Rio de Janeiro, Brazil. Therefore, it is expected that the ODN Tay IV Services Agreement will be enforced under Brazilian law in such courts.

Upgrades

The ODN Tay IV Project Company and Operator have entered into amendments to the terms and conditions of the ODN Tay IV Charter Agreement and ODN Tay IV Services Agreement to allow certain improvements to be made to the ODN Tay IV Drilling Rig to offset the Petrobras penalties. These upgrades include installation of a navigation communication system on the ODN Tay IV Drilling Rig.

Assignment

Petrobras may, without the consent of the ODN Tay IV Project Company or the Operator, assign the ODN Tay IV Services Agreement to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

ODN I Services Agreement

The ODN I Services Agreement was entered into on July 25, 2008 between Petrobras and Delba Serviços, and assigned to ODN Perfurações I Ltda. on June 18, 2010 and to the Operator on March 8, 2012. The ODN I Services Agreement sets forth the terms and conditions of the services to be rendered by the Operator to Petrobras including the drilling, assessment, completion, and maintenance of petroleum and gas wells and the installation of spare parts and maintenance of the equipment of the ODN I Drillship by crew members in Brazilian waters. The Operator will maintain an operations base in Macaé to meet its obligations under the ODN I Services Agreement.

The Operator will comply with Petrobras's standards relating to labor and safety standards in the performance of the ODN I Services Agreement and will indemnify Petrobras against any claims brought by its or third party employees working on the ODN I Drillship. The Operator will comply with minimum local workforce requirements, which should cover 85% of ODN I's workforces by the sixth anniversary of the ODN I Services Agreement.

Price

Onshore service payments are the payments to the Operator under the ODN I Services Agreement for the ten-year term of such agreement based on the availability of the ODN I Drillship and the period during which it is utilized, at a day rate of R$62,189 per day. The onshore service payments are calculated by multiplying the day rate for the ODN I Drillship times its availability (as a percentage) times the number of days in the applicable period. The current day rate under this agreement, after adjustment is R$77,462 per day.

The wait rate is equivalent to 90% of the day rate and will be applied in certain situations, including total stoppage of production attributable to bad weather and delay required of the Operator in order to await orders from Petrobras, during resting time for Petrobras workers or third party workers acting at Petrobras' service and in other circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. In the event the ODN I Drillship is unable to operate due to *force majeure* situations, Petrobras payments will be approximately as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments as of the 61st day. The moving rate is equivalent to 90% of the day rate. Some maintenance works will cause the suspension of the day rate during the maintenance period.

Type of rate	Percentage of Day Rate (%)	Original Amount (in R$ thousands)
Day rate	100	62.2
Repair rate	—	—
Wait rate	90	56.0
Force Majeure rate (1)	80	49.8
Force Majeure rate (2)	50	31.1
Force Majeure rate (3)	—	—
Moving rate	90	56.0

The day rate under the ODN I Services Agreement will be adjusted annually in April of each year by a basket of indices, 50% of which is composed of the INPC, 20% of which is composed of the IPA and 30% of which is composed of the fluctuation of the U.S. Dollar exchange rate during the applicable period. The table above does not reflect the adjustments described in the preceding sentence. The current day rate under the ODN I Services Agreement is R$77,462.

Fees payable to the Operator under the ODN I Services Agreement will be calculated on the basis of monthly usage reports prepared by Petrobras and agreed by the Operator. Those fees will be paid monthly by Petrobras in *reais* upon the presentation of invoices to Petrobras by the Operator. Petrobras will have the right to withhold payments to offset against operating claims under the ODN I Services Agreement.

Term

The term of the ODN I Services Agreement commenced upon the acceptance of the ODN I Drillship by Petrobras. The initial term of the ODN I Services Agreement may be extended for up to an additional ten years. The term of the ODN I Services Agreement commenced in September 2012. In addition, pursuant to the terms of the ODN Tay IV Services Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation.

Termination

The ODN I Services Agreement may be terminated by Petrobras, upon the occurrence of:

- Failure to comply with or improper compliance with contractual clauses, specifications, operations or timeframes;
- Delays in the performance of the ODN I Services Agreement that give Petrobras cause to believe the Operator may not be able to meet its obligations under the ODN I Services Agreement in the stipulated timeframe;
- Unjustified delay in the commencement of services;
- Interruption of services without prior notice to Petrobras or without justification;
- Total or partial assignment or subcontracting of the performance of the ODN I Services Agreement without Petrobras's consent, or merger or reorganization of the Operator without notice to Petrobras;
- Failure to comply with requirements imposed by Petrobras's agents who are supervising and inspecting the work;
- Repeated flawed performance, provided that the aggregate value of fines has reached 10% of the Norbe VI Services Agreement value;
- Declaration of bankruptcy, dissolution or alteration of the corporate structure or modification of the corporate purpose, which according to Petrobras, adversely affects the performance of the Services Agreement;
- Failure by the Operator to present adequate assurances to Petrobras, at Petrobras's discretion, after approval of the Operator's judicial or extrajudicial reorganization plan;
- Suspension of the services by the competent authorities caused by the Operator, which will be liable for any increased costs and losses and damages incurred by Petrobras;
- Failure by the Operator to present evidence of compliance with labor and social security obligations;
- Delay in the commencement of the ODN I Services Agreement greater than 365 days;
- Termination of the related ODN I Charter Agreement;

- If the ODN Project Company remains under the repair rate for an aggregate period of 30% of any six-month period; or

- Shutdown of operations of over 60 days caused by the Operator, unless due to force majeure. Petrobras will be allowed to withhold any amounts payable to the Operator under the agreement to offset any damages caused by early termination.

The ODN I Services Agreement may be terminated by the Operator upon the occurrence of:

- Suspensions in the contract requested by Petrobras for a period longer than 120 days;

- Delays in the payment of the services fees by Petrobras for more than 90 days, except in case of public calamity, serious public disturbance or war;

- Failure by Petrobras to provide the Operator with the location for the performance of the services; or

- Termination of the related ODN I Charter Agreement.

Set-Off

Under the ODN I Services Agreement, Petrobras may set-off the amount of any penalties payable by the Operator under any agreements with Petrobras against the amounts payable by Petrobras to the Operator under the ODN I Services Agreement. The Operator is currently party to other services agreements with Petrobras, any of which could give rise to penalties that could be set-off against payments due by Petrobras under the ODN I Services Agreement.

Insurance

The Operator and its affiliates are responsible for obtaining property and casualty insurance in connection to their assets and personnel working in the ODN I Drillship, including for transportation of supplies and equipment. The Operator and its affiliates will also be co-insured in the liability insurance for third party damages to be obtained by the ODN I Drillship pursuant to the ODN I Charter Agreement.

Environmental Liability

The ODN Project Company and the Operator are liable for damages to third-parties relating to oil spills, wastes and other forms of pollution or environmental damage in an amount of up to U.S.$1.0 million for each occurrence. In addition, the ODN Project Company and the Operator will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. Brazilian law, however, provides that the owner of an asset that has caused environmental damages may be held strictly and jointly liable for the related clean-up costs.

Governing Law; Dispute Resolution

There is no governing law clause in the ODN I Services Agreement, but the ODN I Services Agreement provides that all disputes arising thereunder are to be resolved in the courts of the City of Rio de Janeiro, Brazil. Therefore, it is expected that the ODN I Services Agreement will be enforced under Brazilian law in such courts.

Upgrades

The ODN Project Company and Operator have entered into amendments to the terms and conditions of the ODN I Charter Agreement and ODN I Services Agreement to allow certain improvements to be made to the ODN I Drillship to offset the Petrobras penalties. These upgrades include installation of an MPD/MCD system on the ODN I Drillship.

Assignment

Petrobras may, without the consent of the ODN Project Company or the Operator, assign the ODN I Services Agreement to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

ODN II Services Agreement

The ODN II Services Agreement was entered into on July 25, 2008 between Petrobras and Delba Serviços, and assigned to ODN I Perfurações on June 18, 2010 and to the Operator on March 8, 2012. The ODN II Services Agreement sets forth the terms and conditions of the services to be rendered by the Operator to Petrobras including the drilling, assessment, completion, and maintenance of petroleum and gas wells and the installation of spare parts and maintenance of the equipment of the ODN II Drillship by crew members in Brazilian waters. The Operator will maintain an operations base in Macaé to meet its obligations under the ODN II Services Agreement.

The Operator will comply with Petrobras's standards relating to labor and safety standards in the performance of the ODN II Services Agreement and will indemnify Petrobras against any claims brought by its or third party employees working on the ODN II Drillship. The Operator will comply with minimum local workforce requirements, which should cover 85% of the ODN II Drillship's workforce by the sixth anniversary of the ODN II Services Agreement.

Price

Onshore service payments are the payments to the Operator under the ODN II Services Agreement for the ten-year term of such agreement based on the availability of the ODN II Drillship and the period during which it is utilized, at a day rate of R$62,189 per day. The onshore service payments are calculated by multiplying the day rate for the ODN II Drillship times its availability (as a percentage) times the number of days in the applicable period. The current day rate under this agreement, after adjustment is R$77,462 per day.

The wait rate is equivalent to 90% of the day rate and will be applied in certain situations, including total stoppage of production attributable to bad weather and delay required of the Operator in order to await orders from Petrobras, during resting time for Petrobras workers or third party workers acting at Petrobras' service and in other circumstances that arise from the operation of a drillship or drilling rig on days when the relevant Vessel is: (1) awaiting the arrival, maintenance or availability of materials from Petrobras or third parties; (2) awaiting daylight in order to carry out formation tests during drilling work; or (3) awaiting boats for towing or support purposes. In the event the ODN II Drillship is unable to operate due to *force majeure* situations, Petrobras payments will be approximately as follows (1) 80% of the day rate during the first 30 days, (2) 50% of the day rate between the 31st day and the 60th day and (3) no payments as of the 61st day. The moving rate is equivalent to 90% of the day rate. Some maintenance works will cause the suspension of the day rate during the maintenance period.

Type of rate	Percentage of Day Rate (%)	Original Amount (in R$ thousands)
Day rate	100	62.2
Repair rate	—	—
Wait rate	90	56.0
Force Majeure rate (1)	80	49.8
Force Majeure rate (2)	50	31.1
Force Majeure rate (3)	—	—
Moving rate	90	56.0

The day rate under the ODN II Services Agreement will be adjusted annually in April of each year by a basket of indices, 50% of which is composed of the INPC, 20% of which is composed of the IPA and 30% of which is composed of the fluctuation of the U.S. Dollar exchange rate during the applicable period. The table above does not reflect the adjustments described in the preceding sentence. The current day rate under the ODN II Services Agreement is R$77,462.

Fees payable to the Operator under the ODN II Services Agreement will be calculated on the basis of monthly usage reports prepared by Petrobras and agreed by the Operator. Those fees will be paid monthly by Petrobras in *reais* upon the presentation of invoices to Petrobras by the Operator. Petrobras will have the right to withhold payments to offset against operating claims under the ODN II Services Agreement.

Term

The term of the ODN II Services Agreement commenced upon the acceptance of the ODN II Drillship by Petrobras. The initial term of the ODN II Services Agreement may be extended for up to an additional ten years. The term of the ODN II Services Agreement commenced in August 2012. In addition, pursuant to the terms of the ODN

II Services Agreement, Petrobras may extend the agreement for any downtime during the initial term of the agreement, at the original day rate, adjusted for inflation.

Termination

The ODN II Services Agreement may be terminated by Petrobras, upon the occurrence of:

- Failure to comply with or improper compliance with contractual clauses, specifications, operations or timeframes;
- Delays in the performance of the ODN II Services Agreement that give Petrobras cause to believe the Operator may not be able to meet its obligations under the ODN II Services Agreement in the stipulated timeframe;
- Unjustified delay in the commencement of services;
- Interruption of services without prior notice to Petrobras or without justification;
- Total or partial assignment of the performance of the ODN II Services Agreement without Petrobras's consent, or merger or reorganization of the Operator without notice to Petrobras;
- Failure to comply with requirements imposed by Petrobras's agents who are supervising and inspecting the work;
- Repeated flawed performance, provided that the aggregate value of fines has reached 10% of the Norbe VI Services Agreement value;
- Declaration of bankruptcy, dissolution or alteration of the corporate structure or modification of the corporate purpose, which according to Petrobras, adversely affects the performance of the Services Agreement;
- Failure by the Operator to present adequate assurances to Petrobras, at Petrobras's discretion, after approval of the Operator's judicial or extrajudicial reorganization plan;
- Suspension of the services by the competent authorities caused by the Operator, which will be liable for any increased costs and losses and damages incurred by Petrobras;
- Failure by the Operator to present evidence of compliance with labor and social security obligations;
- Delay in the commencement of the ODN II Services Agreement greater than 365 days;
- Termination of the related ODN II Charter Agreement;
- If the ODN Project Company remains under the repair rate for an aggregate period of 30% of any six-month period; or
- Shutdown of operations of over 60 days caused by the Operator, unless due to force majeure. Petrobras will be allowed to withhold any amounts payable to the Operator under the agreement to offset any damages caused by early termination.

The ODN II Services Agreement may be terminated by the Operator upon the occurrence of:

- Suspensions in the contract requested by Petrobras for a period longer than 120 days;
- Delays in the payment of the services fees by Petrobras for more than 90 days, except in case of public calamity, serious public disturbance or war;
- Failure by Petrobras to provide the Operator with the location for the performance of the services; or
- Termination of the related ODN II Charter Agreement.

Set-Off

Under the ODN II Services Agreement, Petrobras may set-off the amount of any penalties payable by the Operator under any agreements with Petrobras against the amounts payable by Petrobras to the Operator under the ODN II Services Agreement. The Operator is currently party to other services agreements with Petrobras, any of which could give rise to penalties that could be set-off against payments due by Petrobras under the ODN II Services Agreement.

Insurance

The Operator and its affiliates are responsible for obtaining property and casualty insurance in connection to their assets and personnel working in the ODN II Drillship, including for transportation of supplies and equipment. The Operator and its affiliates will also be co-insured in the liability insurance for third party damages to be obtained by the ODN Project Company pursuant to the ODN II Charter Agreement.

Environmental Liability

The ODN Project Company and the Operator are liable for damages to third-parties relating to oil spills, wastes and other forms of pollution or environmental damage in an amount of up to U.S.$1.0 million for each occurrence. In addition, the ODN Project Company and the Operator will not be liable for occurrences deriving from kicks, blow-outs, surges and formation tests. Brazilian law, however, provides that the owner of an asset that has caused environmental damages may be held strictly and jointly liable for the related clean-up costs.

Governing Law; Dispute Resolution

There is no governing law clause in the ODN II Services Agreement, but the ODN II Services Agreement provides that all disputes arising thereunder are to be resolved in the courts of the City of Rio de Janeiro, Brazil. Therefore, it is expected that the ODN II Services Agreement will be enforced under Brazilian law in such courts.

Upgrades

The ODN Project Company and Operator have entered into amendments to the terms and conditions of the ODN II Charter Agreement and ODN II Services Agreement to allow certain improvements to be made to the ODN II Drillship to offset the Petrobras penalties. These upgrades include installation of an MPD/MCD system on the ODN II Drillship.

Assignment

Petrobras may, without the consent of the ODN Project Company or the Operator, assign the ODN II Services Agreement to any of its subsidiaries or to any company in which Petrobras is a controlling shareholder.

Other Agreements

Specialized Oil Industry Services Agreement

Each of the Project Companies has entered into a specialized oil industry services agreement with OOSL, pursuant to which, for a monthly fee, OOSL will agree to advise and assist that Project Company with respect to administrative, managerial, technical, and maintenance matters related to the relevant Vessels. Each agreement will terminate on the later of the last payment thereunder or the date on which the term of the relevant Charter Agreement expires. Nevertheless, each agreement may be terminated any time at the discretion of the relevant Project Company. OOSL's liability under each agreement is capped at U.S.$5 million for each of the Project Companies.

Asset Maintenance Agreement

Each Project Company has entered into an Asset Maintenance Agreement with the Operator for the purpose of obtaining the Operator's support and expertise in maintaining the Vessels owned by the relevant Project Company. In exchange for the Operator's services, the Operator will receive a monthly fee calculated on a cost-plus basis. These agreements are of indefinite length but each may be freely terminated by either party thereto in accordance with the terms thereof. Payments made under any of these agreements are not subject to deduction, withholding, set-off or counterclaim. The Operator's liability under each of these agreements is capped at U.S.$2.7 million and U.S.$5 million under the ODN Tay IV agreement.

MANAGEMENT

Board of Directors

The boards of directors of the Project Companies are the decision-making bodies responsible for the formulation and implementation of the general guidelines and policies of their respective businesses, including long-term strategies. Decisions of the board of directors of the Project Companies must be approved by a majority of votes at a duly constituted board meeting. The Issuer's board of directors is composed of the same directors as the Project Companies.

The following table sets forth certain information regarding the boards of directors for the Project Companies and the Issuer.

Board of Directors of each of Odebrecht Drilling Norbe VI GmbH, ODN Tay IV GmbH and ODN I GmbH

Name	Age	Position	Date of election
Karina Sarkis Novis	39	Director	October 14, 2011
Dr. Paul Doralt	42	Director	October 14, 2011

Board of Directors of the Issuer

Name	Age	Position
Roberto Lopes P. Simões	58	Director
Rogerio Luis Murat Ibrahim	52	Director
Guilherme Pacheco de Britto	38	Director
José Cláudio Breviglieri Grossi	62	Director

Set forth below are the principal occupations and employment histories of the Project Companies' and the Issuer's directors.

Karina Sarkis Novis. Ms. Novis has worked with the Odebrecht group since 1999. She moved from CNO to Odebrecht Oil and Gas in 2011 to be managing director of the Austrian special purpose entities. Ms. Novis has obtained four university degrees in the fields of business administration, economics and finance, including a bachelor's degree in economics from the Catholic University in 1997, a postgraduate degree in finance from FGV in 1999; an MBA from the Ibmec Business School, Curitiba in 2003; and a postgraduate degree in controls and finance from FIPECAFI in 2007. She is currently enrolled at Vienna University of Economics and Business in the LL.M. program for international tax law with expected completion of this degree in June 2013. From 1999 to 2010, Ms. Novis worked in different projects at Ford Motor Company, Camaçari-BA; Repar, the Getulio Vargas refinery, in Curitiba in the Brazilian state of Paraná, where, among other things, she worked in the finance department. In 2007 Mrs. Novis moved to São Paulo to work in the finance and control department of CNO.

Dr. Paul Doralt. Mr. Doralt has served as a director of several entities of the Odebrecht Oil & Gas group since 2010. He has served as a partner of the Austrian law firm Dorda Brugger Jordis since 2006. He is qualified as an attorney and as a certified tax advisor in Austria. Prior to joining Dorda Brugger Jordis he was a senior manager of KPMG Vienna from 1996 to 2000 and KPMG New York from 2001 to 2003. He holds a JD from the University of Vienna and an LLM from King's College London.

Roberto Lopes Pontes Simões. Mr. Simões is currently Executive Vice President of Odebrecht Oil & Gas. Within the Odebrecht Group, Mr. Simões has been an officer of Odebrecht Defense and Technology, CNO, Santo Antonio Energia, Braskem, Opportrans Concessão Metroviária, and Internet Group. He has also been the chairman or a board member of many companies in the Odebrecht Group such as Mectron, Consórcio Baia de Sepetiba, Itaguaí Construções Navais, Petroquímica Paulínia, Ipiranga Química, Ipiranga Petroquímica, Refinaria Ipiranga, Copesul, Petroflex, and Cetrel. Mr. Simões graduated in mechanical engineering from the Universidade Federal da Bahia in 1978.

Rogerio Luis Murat Ibrahim. Mr. Ibrahim, received his bachelor's degree in Civil Engineering from the Instituto Militar de Engenharia in 1982 and his Master's in Business Administration from COPPEAD-UFRJ in 1985. From 1985 through 1988 he worked for Companhia Vale do Rio Doce, where he was in charge of the commercial planning area. Mr. Ibrahim joined the Odebrecht Group in 1988, where he performed several roles at

different units, including controls, treasury and structured financial operations. He was appointed CFO of CNO in 2002. In 2007, he joined Santo Antonio Energia S.A., another Odebrecht Group company, as CFO. He returned to Odebrecht Energy as Chief Financial Officer in 2009. From January 2011 through December 2012, was CFO for Odebrecht Engineering & Construction in Latin America. Since January 2013 he has been Chief Financial Officer for Odebrecht Oil & Gas.

Guilherme Pacheco de Britto. Guilherme Pacheco de Britto has been the Chief Legal Officer of the Operator since April 2013. Prior to joining the Operator, he was the Chief Legal Officer of Odebrecht Industrial Engineering (May 2010 to April 2013) and of Quattor Petroquimica (October 2008 to May 2010). He was also a partner at Leoni Siqueira Advogados and a corporate associate at Gouvea Vieira Advogados. He holds a law degree from the Catholic University of Rio de Janeiro and a LLM degree with distinction from Paris – II – Pantheon-Assas.

José Cláudio Breviglieri Grossi. Mr. Grossi has been the Director of Human Resources and Corporate Structure for Odebrecht Oil & Gas since 2009. From 2006 to 2009, he was in charge of planning, administration and financing of CNO. He was the administrative and financial manager at the Autonomous Repumping platform from 2004 to 2006 and the Getulio Vargas refinery and the cooling tower from 2001 to 2004. Mr. Grossi holds a degree in business administration and a degree in accounting and economics from the Catholic University of Minas Gerais and a degree in human resources from the Catholic University of Rio de Janeiro. He also holds a master's degree in Project Management from Fundação Getúlio Vargas.

Key Personnel of Operator

The Issuer is a special purpose company that currently has no business operations and as such, the Issuer does not have officers or employees. The Project Companies also do not have officers or employees. The key personnel of the Operator are primarily responsible for managing day-to-day operations and implementing the general policies and guidelines set forth by the boards of directors of the Issuer and the Project Companies.

The table below sets forth the names, ages, positions and appointment dates of the key personnel of the Operator.

Name	Age	Position	Date of appointment
Roberto Prisco Paraíso Ramos	67	Chief Executive Officer	January 1, 2011
Roberto Lopes Pontes Simões	57	Executive Vice President	September 2, 2012
Rogerio Luis Murat Ibrahim	52	Chief Financial Officer	January 2, 2013
Herculano de Almeida Horta Barbosa	54	Engineering & Technology Superintendent	February 2, 2011
Pedro Mathias	56	Drilling Superintendent	May 22, 2009
Jorge Luis Uchoa Mitidieri	54	Subsea, Production & Maintenance Superintendent	February 2, 2011
Carlos Alberto Brenner	52	Executive Director for Investments	June 2, 2012
Marco Aurélio Fonseca	45	Director of Sustainability	January 18, 2011
José Cláudio Breviglieri Grossi	62	Director of Human Resources	February 2, 2011
Helcio Colodete	55	Well Services Superintendent	September 1, 2008
Guilherme Pacheco de Britto	39	Chief Legal Officer	April 25, 2013

Set forth below are the principal occupations and employment histories of the key personnel listed above.

Roberto Prisco Paraíso Ramos. Mr. Ramos is currently the CEO of Odebrecht Oil & Gas. He previously served as (i) vice president and head of business competitiveness of Braskem (ii) a member of the board of directors of Paulínia and Politeno (until their respective mergers into Braskem) and (iii) a member of the board of directors of Petroflex until the sale of Odebrecht Oil & Gas' interest in Petroflex in April 2008. Mr. Ramos was a member of the board of directors of Trikem from 2002 to 2005 and served on the board of directors of several companies in the Odebrecht Group. Mr. Ramos holds a bachelor's degree in mechanical engineering from the Universidade Federal do Rio de Janeiro, a post-graduate degree from the Program for Management Development from Harvard Business School and a master's degree in finance from the University of Leicester, England.

Roberto Lopes Pontes Simões. See "—Board of Directors—Board of Directors of the Issuer."

Rogerio Luis Murat Ibrahim. See "—Board of Directors—Board of Directors of the Issuer."

Herculano de Almeida Horta Barbosa. Mr. Barbosa is Odebrecht Oil & Gas' Superintendent Director responsible for Engineering and Technology. He has been Odebrecht Oil & Gas's Superintendent Director since January 2006 and has 27 years of experience in drilling construction and operations. Mr. Barbosa worked for companies such as Odebrecht S.A., Marítima Petróleo and Pride as manager of projects and operations. He holds a degree in civil engineering from the Federal University of Juiz de Fora and an MBA from Fundação Getúlio Vargas. He has also completed courses on advanced drilling engineering in Salvador and on occupational safety engineering from the Federal University of Fluminense.

Pedro Mathias. Mr. Mathias has been working with Odebrecht Oil & Gas since November 1, 2008 and is the Drilling business Superintendent Director. He has 28 years of experience as a drilling engineer (three years in onshore drilling and 25 years in offshore drilling). Mr. Mathias has worked for 16 years as operation manager for companies such as Odebrecht S.A., Pride, Transocean, Smedvig and Mullen, operating rigs for Petrobras, BP, Azevedo Travassos, Shell and El Paso. He holds a degree in civil engineering from Universidade de São Paulo.

Jorge Luis Uchoa Mitidieri. Mr. Mitidieri has been Odebrecht Oil & Gas' Subsea, Production and Maintenance Superintendent Director since 2009. He holds a bachelor degree in chemical engineer from the Federal University of Rio de Janeiro, a postgraduate degree in project management and strategic business development from the Getúlio Vargas Foundation, a professional project management title from the Project Management Institute and an MBA from the Getúlio Vargas Foundation. Mr. Mitidieri acted as director of CNO from 2002 until 2008.

Carlos Alberto Brenner. Mr. Brenner is currently Executive Director for Investments for Odebrecht Oil & Gas. He holds a bachelor's degree in Chemical Engineering from PUC University in Rio Grande do Sul and an MBA in Marketing from FIA University in São Paulo. Mr. Brenner has 26 years of experience in managing projects and in engineering. He joined the Odebrecht Group in 2002 as an employee of Braskem, the group's petrochemical company, where he worked until the end of 2011. Before that, he was a general manager at Logibras from 2001 to 2002 and business development manager at Tigre Tubos e Conexões SA, from 1995 to 2001. He began his career as an engineer at a petrochemical company, Petroquímica Triunfo, where he worked from 1986 to 1995.

Marco Aurélio Fonseca. Mr. Fonseca has been Odebrecht Oil & Gas' Director of Sustainability since 2011. He has a degree in Industrial Electrical Engineer from Federal Technology Center of Minas Gerais State and a post graduate in Safety Engineering from Federal University of Minas Gerais State, with an extension in Environmental Management at Harvard University and at British Safety Council. He is certified in Petroleum Processing Technology by the City and Guilds of London Institute. Mr. Fonseca has over 20 year of experience, 16 years of which working with HSE issues for the oil and gas industry, in Brazil and abroad, with drilling and production charter and service companies with extensive experience in implementing and maintaining HSE management systems such as ISO 14001, OHSAS 18001, ISM Code and ISPS Code also ensuring full HSE regulatory compliance applicable to the business.

José Cláudio Breviglieri Grossi. See "—Board of Directors—Board of Directors of the Issuer."

Helcio Colodete. Mr. Colodete has a bachelor degree in Chemical Engineering from UFRJ, with an MBA from Fundação Getúlio Vargas and specialization in management and Sustainability from Fundação Dom Cabral. Mr. Colodete has over 30 years of experience performing activities in chemical, petrochemical and oil gas, such as process engineering, production manager of the CMC, vinyl chain industrial plants and power plants. He was responsible for the implementation of the ERP Project, Formula Braskem. Mr. Colodete was the first director of the safety, health and environment from Braskem and industrial vinyl director for two years. He was project manager from Tierra Oeste mature fields project in Venezuela (a joint venture between Odebrecht and PDVSA in PETROURDANETA). Currently he is the Director Superintendent of the Specialized Well Services business unit.

Guilherme Pacheco de Britto. See "—Board of Directors—Board of Directors of the Issuer."

Key Operational Personnel of the Vessels

The table below sets forth the names, ages, positions and appointment dates of the key operational personnel of each Vessel.

Norbe VI Drilling Rig

Name	Age	Position	Date of appointment
Fabio Lana Costa	31	Rig Superintendent	July 2013
Edson Venera	41	Rig Superintendent	January 2014
Edmund George Gilles	55	Maintenance Coordinator	February 2012
Rene Spakman	46	Maintenance Coordinator	November 2013
Renzo Loira Stefanini	33	Captain	November 2010
Kleber Catão do Prado	48	Captain	May 2013
Charles Currie	45	Rig Manager	April 2013
Marcos Vinícius Sampaio Santiago	29	Assistant Rig Manager	November 2012
Walace Azevedo Silva	34	Safety Training Coordinator	March 2013
Carolina Lima Braga	28	Safety Training Coordinator	February 2010

ODN Tay IV Drilling Rig

Name	Age	Position	Date of appointment
Jose Reinaldo Gomes Dantas	51	Rig Superintendent	April 2011
Marcio Ricardo Soares da Costa	40	Rig Superintendent	February 2013
Beniamin Mihai Radu	47	Maintenance Coordinator	September 2013
Diego da Silva Aguiar	31	Maintenance Coordinator	December 2013
Peter Degroote	34	Captain	April 2013
Sven Holger Kriedemmn	53	Captain	July 2004
Carlos Zamora	57	Rig Manager	March 2012
Silvério Maia	37	Safety Training Coordinator (1)	April 2012

(1) As of the date of this offering circular, the official appointment of the second ODN Tay IV Drilling Rig Safety Training Coordinator is pending.

ODN I Drillship

Name	Age	Position	Date of appointment
Brian Sciortino	39	Rig Superintendent	September 2011
Grant Christopher Scarman	54	Rig Superintendent	June 2013
Michael Del Mouro	30	Senior Subsea Supervisor	February 2012
Randall Paul Dishaw	48	Senior Subsea Supervisor	May 2013
Gabriel Caraffini	43	Maintenance Coordinator	September 2011
José Henriques Amaral de Almeida	50	Maintenance Coordinator	April 2012
Yvo Paul Meijer	46	Captain	August 2011
Alexander Ribeiro	40	Captain	June 2011
Jason Kovarik	39	Rig Manager	June 2011
Rondinelle Rodrigues de Aguiar	36	Safety Training Coordinator	August 2011
Thiago da Conceicao de Oliveira	30	Safety Training Coordinator	August 2011

ODN II Drillship

Name	Age	Position	Date of appointment
Dinarte Fernandes de Brito	48	Rig Superintendent	November 2010
Alessandro Geraldo Ferreira Outeiro	35	Rig Superintendent	September 2011
Fernando Antonio Holanda Ramos	61	Maintenance Coordinator	September 2008
Emerson Farah de Almeida Oliveira	53	Maintenance Coordinator	June 2011
Ricardo Pimentel Amoedo	50	Captain	October 2012
Andrzej Niewinski	47	Captain	April 2011
Weverton Nazário	38	Rig Manager	July 2013
Geison Rodrigues Martins	29	Safety Training Coordinator	September 2011

Set forth below are the principal occupations and employment histories of the key personnel listed above.

Fabio Lana Costa. Mr. Costa is currently Rig Superintendent for the Norbe VI Drilling Rig. He has worked at the Norbe VI Drilling Rig since 2011, initially as a Toolpusher until he was promoted in July 2013. He also worked at Transocean for 10 years as a Roustabout, Floorhand, Derrickman, Assistant Driller, Driller and Toolpusher. Mr. Costa has 12 years of experience in the oil and gas industry.

Edson Venera. Mr. Venera is currently Rig Superintendent for the Norbe VI Drilling Rig, a position he has held since January 2014. Before that he was a Rig Superintendent on the Norbe VIII drilling rig from August 2013 until January 2014. From June 2008 to August 2013, he was Offshore Installation Manager, or OIM, at Queiroz Galvão and for 11 years prior to that worked through all functions, most recently as a Toolpusher, at Ventura Oil. Mr. Venera has 18 years of experience in the oil and gas industry.

Edmund George Gilles. Mr. Gilles has been Maintenance Coordinator for the Norbe VI Drilling Rig since February 2012. Prior to that, he was a Chief Electrician then Electrical Supervisor at Transocean Ltd. from 1992 to August 2004, when we was promoted to Maintenance Supervisor. Mr. Gilles has more than 27 years of experience in the oil and gas industry, having started his career in 1987 with North Atlantic Drilling.

Rene Spakman. Mr. Spakman has been Maintenance Coordinator for the Norbe VI Drilling Rig since November 2013, having previously been a Maintenance Coordinator for the ODN Tay IV Drilling Rig since May 2012. He had worked at Pride International, Inc./Ensco plc from 2004 until April 2012, where he was a Third Engineer at the Pride International Angola from 2004 to 2005, and as a Second Engineer, Chief Engineer and then Technical Coordinator on the Pride Portland from 2005 to 2012. From 1999 until 2004, he was the Chief Engineer on a chemical tanker for Naviglobe NV and from 1993 to 1999 he was the sole Engineer in the boiler house of another ship. Prior to 1993, Mr. Spakman was a Second and Third Engineer in the Merchant Marine Services.

Renzo Loira Stefanini. Mr. Stefanini is Captain for the Norbe VI Drilling Rig, holding a Master Unlimited II grade license and a Dynamic Positioning Operator, or DPO, full certificate. He had been Chief Mate/Master at Queiroz Galvão from January 2010 to August 2010, Chief Mate at Noble Drilling from July 2007 to December 2009, and 2nd Mate to Chief Mate to Master at Tidewater from October 2002 to June 2007. Before that he had been Captain, 3rd Mate and Mate Trainee at Fishing Vessels, Cruise and Cassino Vessels and General Cargo Vessels. He has more than 12 years of experience in the offshore oil and gas industry. Mr. Stefanini received a maritime degree in 1999.

Kleber Catão do Prado. Mr. Prado is Captain for the Norbe VI Drilling Rig, holding a Master Unlimited grade license and is also a Maritime Surveyor. He has over 26 years of experience with 15 years of experience in command of state of the art drillships and semi-submersibles. He has worked at the Master and OIM at Odebrecht, Etesco, Schahin and Noble Drilling. He has also worked as the Captain and Project Maritime Surveyor in the Samsung Heavy Industry Shipyard and Hyundai Heavy Industry Shipyard in Korea. Mr. Prado has completed the International Ship and Port Security, or ISPS, training requirements for Ship Security Officer and Company Security Officer, and the ISPS and International Management Code for the Safe Operation of Ships and for Pollution Prevention, or ISM training requirements for Auditors.

Charles Currie. Mr. Currie has been Rig Manager for the Norbe VI Drilling Rig since April 2013. Before that, he worked as Rig Manager at Etesco and Rig Manager, Rig Supervisor and Toolpusher at Pride. Mr. Currie has more than 22 years of experience in the offshore industry.

Marcos Vinícius Sampaio Santiago. Mr. Santiago has been Assistant Rig Manager for the Norbe VI Drilling Rig since November 2012. Before that, he worked as the Engineering Coordinator for the ODN Tay IV Drilling Rig, an Engineer for the Norbe VI Drilling Rig, and a Production Engineer at Construtora Norberto Odebrecht on the Ativo Sul contract. Mr. Santiago has been with Odebrecht for eight years and was part of the Odebrecht Young Partner Program. He also worked as a trainee with static equipment at Braskem.

Walace Azevedo Silva. Mr. Silva is currently Safety Training Coordinator for the Norbe VI Drilling Rig. Before that, he worked as Security and Training Specialist at ENSCO do Brasil Óleo e Gás S.A., Security and Training Supervisor at Brasdril Sociedade de Perfurações Ltda, or Brasdril, and junior technical security and training at both Falck Nutec Treinamentos Marítimos Ltda. and Ultratec Eng. S.A. Mr. Silva has more than ten years of experience in the oil and gas industry.

Carolina Lima Braga. Ms. Braga has been Safety Training Coordinator for the Norbe VI Drilling Rig since 2010. Before that, she held the same position at Transocean and Subsea 7 as Offshore Technical Work Safety. Ms. Braga has more than eight years of experience in the oil and gas industry.

Jose Reinaldo Gomes Dantas. Mr. Dantas has been Rig Superintendent for the ODN Tay IV Drilling Rig since 2011. He has 31 years of experience in the oil and gas industry and has worked as a Toolpusher for 8 years on the Pride do Brasil and Etesco. Mr. Dantas also has experience in directional wells with high angles of deviation. Mr. Dantas has been working at Odebrecht Oil & Gas since 2009.

Marcio Ricardo Soares da Costa. Mr. Costa is currently Rig Superintendent for the ODN Tay IV Drilling Rig. He has worked at the Odebrecht Group since 2009, previously as a Driller and Toolpusher. He has also worked as Assistant Driller at Pride do Brasil Ltda., Essar Services Limited and Aban Pearl Pte Ltd. Mr. Costa has more than 13 years of experience in the offshore oil and gas industry.

Beniamin Mihai Radu. Mr. Radu has been Maintenance Coordinator for the ODN Tay IV Drilling Rig since 2013. He has 16 years of experience in the oil and gas industry. He was a Rig Maintenance Supervisor at Noble Drilling in 2009, and has also worked as an Electrical Supervisor and Chief Electrician. Mr. Radu holds a Master's degree in advanced concept of marine engineering, with a specialization in diesel-electric propulsion, from the Marine University Constanta, 2003, and a degree in electro-mechanics engineering, with a specialization in electro-technical engineering, from Mircea cel Bătrân Marine Academy, 1989.

Diego da Silva Aguiar. Mr. Aguiar has been working at the Odebrecht Group since 2012 as Mechanical Supervisor and Maintenance Coordinator. Before that, he worked at Wartsila Brazil as Mechanical Technician and at Transocean Brazil as Mechanical Supervisor. Mr. Aguiar has ten years of experience in the oil and gas industry.

Peter Degroote. Mr. Degroote is currently Captain for the ODN Tay IV Drilling Rig. He has been working as a Master since 2011. He has also worked as a Chief Officer and Senior DPO on the SSDV Pride Rio de Janeiro. Mr. Degroote has 12 years of experience in the offshore industry and is has Master's degree in Nautical Sciences from Hogere Zeevaartschool Antwerpen, Belgium, 2001.

Sven Holger Kriedemmn. Mr. Kriedemmn has been Captain for the ODN Tay IV Drilling Rig since 2004. From 1998 until 2004, he worked in dynamic positioning drilling at Noble Drilling International Inc. and Transocean Inc., and on a Frontier Drilling Management AS FPSO.

Carlos Zamora. Mr. Zamora has been Rig Manager for the ODN Tay IV Drilling Rig since 2013. In 2013 and 2012, Mr. Zamora was Rig Manager for the ODN II Drillship. He is also Contract Director for the ODN Tay IV Drilling Rig, the Norbe VI Drilling Rig, and the ODN II Drillship. He has worked as a Driller and as a Toolpusher at Etesco, Odebrecht Perfurações LTDA (OPL), and Triangle, and as Operations Superintendent for Schahin. He has 38 years of experience in the oil and gas industry, including 30 years of offshore experience. Mr. Zamora holds a technical degree in Electrotechnics from National Education Technical School in Argentina.

Silvério Maia. Mr. Maia is Safety Training Coordinator for the ODN Tay IV Drilling Rig. Before that he was a nurse at Hospital São João Batista, Hospital PSA Aeroporto in Macaé and at Brasdril, where he was promoted to Senior Safety Technician and Senior Safety Technician. He also worked as Senior Safety Technician at Ensco do Brasil. Mr. Maia has more than 13 of experience in the healthcare industry.

Brian Sciortino. Mr. Sciortino is currently Rig Superintendent for the ODN I Drillship and has 19 years of experience in the drilling industry. He has been Tool Pusher at Diamond Offshore's ultra-deepwater semisubmersible rig Ocean Courage, and has also been Driller at Larsen Oil and Gas, Seadrill, Transocean and Pride, with experience in ultra-deepwater semisubmersible rigs and jackups.

Grant Christopher Scarman. Mr. Scarman has been Rig Superintendent for the ODN I Drillship since June 2013. Prior to that, he was Rig Manager at Noble Drilling Corporation Deepwater Division and Toolpusher at R&B Falcon Drilling and Diamond Offshore, among others. Mr. Scarman has more than 35 years of experience in the oil and gas industry.

Michael Del Mouro. Mr. Del Mouro has been Senior Subsea Supervisor for the ODN I Drillship since 2012. Prior to that, in 2010, he worked as BOP Field Service Technician for Cameron Drilling systems and in 2008 worked as IWOCS Field Service Technician for Oceaneering. Mr. Del Mouro was honorably discharged from the United States Marine Corps in 2003 after five years of active service.

Randall Paul Dishaw. Mr. Dishaw has been Senior Subsea Supervisor for the ODN I Drillship since May 2013. Before that, he worked for 17 years as a Senior Subsea Supervisor, with the last 13 of those as a Drilling Supervisor.

Gabriel Caraffini. Mr. Caraffini is currently Maintenance Coordinator for the ODN I Drillship. From 2000 through 2011, he served as Mechanical Supervisor/Maintenance Supervisor onboard Transocean Driller, Drill Ship Deepwater Expedition, Sovering Explorer and Sedco 707 working offshore Brazil for Petrobras.

José Henriques Amaral de Almeida. Mr. Almeida has been Maintenance Coordinator for the ODN I Drillship since April 2012, having previously been hired by Odebrecht as a Chief Engineer in July 2011. From March 2009 to June 2011, he worked as Chief Engineer at Schahin, involved in the building of two new semi-submersibles in China until their acceptance in Brazil for Petrobras. Before that, he worked at Noble Drilling as a Second Engineer and First Engineer (Night Chief Engineer). Mr. Almeida received a Bachelor Degree of Science in Marine Engineering from Brazil's Merchant Marine Academy, or CIAGA, Rio de Janeiro, in 1984, and received a postgraduate degree as a Chief Engineer – III/2 in 2006.

Yvo Paul Meijer. Mr. Meijer is currently Captain for the ODN I Drillship. He has also been Chief Mate/Senior DPO of Ocean Alliance from 2005 through 2011. Before that, he had been Captain of Smitwijs Tempest, Pompei and Valentin Shashin from 1999 through 2005.

Alexander Ribeiro. Mr. Ribeiro has been part of the ODN I Drillship team since June 2011, having been hired by the Odebrecht Group to work as Chief Mate and afterwards assigned to work as Captain/OIM in 2013. From 2005 to 2011, he worked as Chief Mate for Queiroz Galvão and Transocean and as DPO and SDPO for Transocean and Seadrill. He has also worked on Anchor Handling Tug Supply vessels at Maersk Supply and Petrobras. Mr. Ribeiro received a bachelors degree in Nautical Science from CIAGA in 1998.

Jason Kovarik. Mr. Kovarik has been Rig Manager for the ODN I Drillship since June 2011. He has worked as Surveyor II at the American Bureau of Shipping from June 2010 through May 2011. Before that, he worked at Noble Drilling from Interim Operations Engineer to Barge Engineer III. Mr. Kovarik holds a Bachelor degree of Science in Marine Engineering by U.S. Merchant Marine Academy, Long Island, NY in 1997.

Rondinelle Rodrigues de Aguiar. Mr. Aguiar has been Safety Training Coordinator for the ODN I Drillship since August 2011. Before that, he worked at Etesco, Navis Drilling and Estaleiro Mauá. Mr. Aguiar has more than 5 years of experience as a security technician in the offshore oil and gas industry.

Thiago da Conceicao de Oliveira. Mr. Oliveira has been Safety Training Coordinator for the ODN I Drillship since August 2011. Before that, he worked at Transocean and Seawell. Mr. Oliveira has more than 9 years of experience in safety training in the oil and gas industry.

Dinarte Fernandes de Brito. Mr. Brito is currently Rig Superintendent for the ODN II Drillship, and has been with the Odebrecht Group since 2010. From September 2009 through January 2011 he worked as a Toolpusher at Seadrill's Rig West Orion. He has also worked for as a Driller, Toolpusher and Rig Superintendent at Pride do Brazil, as an Assistant Driller at Falcon Drilling do Brazil, as an Assistant Driller at UME – Serviços de Petróleo and as a platformist at Etesco – Serviços de Petróleo. Mr. Brito has more than 26 years of experience in the offshore oil and gas industry.

Alessandro Geraldo Ferreira Outeiro. Mr. Outeiro has been Rig Superintendent for the ODN II Drillship since 2011. Before that, he worked at Essar Oilfield, Aban Offshore and Transocean. Mr. Outeiro has more than eight years of experience in the offshore oil and gas industry.

Fernando Antonio Holanda Ramos. Mr. Ramos has been Maintenance Coordinator for the ODN II Drillship since 2008. From 2006 through 2008, he was 1st Engineer of Dolphin Drilling Ltd.'s semi-submersible rig "Borgny Dolphin." Before that he had worked as Mechanical Supervisor at Transocean, Chief Engineer at Ventura Petróleo Ltd, First Engineer at Odebrecht/LARSEN Oil & Gas, Chief Engineer at Schahin Petróleo Ltd, or Schahin Petróleo, 1st Engineer and 2nd Engineer at Brasdril and Ship Engineer at Navigation Company Lloyd Brasileiro. Mr. Ramos has 35 years of experience in the offshore industry.

Emerson Farah de Almeida Oliveira. Mr. Oliveira has part of the ODN II Drillship team since 2011. Before that, he worked as a Senior ET at Brasdril and a Eletronic Senior Supervisor in Schahin Petróleo. Mr. Oliveira has more than 14 years of experience in the offshore oil and gas industry.

Ricardo Pimentel Amoedo. Mr. Amoedo is currently Captain for the ODN II Drillship. He has been responsible for four Odebrecht Oil & Gas drillships at the DSME yard. He has also sailed the Norbe VIII drilling rig to Brasil and ran all Brazilian authorities' audit and Petrobras acceptance test and run first well as OIM/MASTER. He worked on the ODN II Drillship during the sea trials at DSME in South Korea and sailed to Brazil. From August 2009 through September 2010 he was Captain of the Victoria drillship. Before that, he has worked on Schahin Petróleo, Transocean do Brasil, Satro – Sociedade Aux. Ind. Petroleo and CBO – Companhia Brasileira de Offshore drillships. Mr. Amoedo has 28 year of experience in the offshore industry and holds a bachelors degree in Nautical Studies by Merchant Navy College, Rio de Janeiro in 1985.

Andrzej Niewinski. Mr. Niewinski has been Captain for the ODN II Drillship since 2011. Before that, he was Captain of a Noble Drilling Ltd. drillship, a Barge Engineer/Master on a Stena Drilling Ltd. drillship, and a Captain and Senior DPO/Chief Mate on a Noble Drilling Ltd. drillship. He has more than 15 years of experience in the offshore oil and gas industry.

Weverton Nazário. Mr. Nazário has been employed by Odebrecht Oil and Gas since 2010 and has been Rig Manager for the ODN II Drillship since July 2013. Before that, he was a Technical Coordinator, Operations Technician and Division Maintenance Supervisor at Noble Drilling Ltd., a Planning Technician at Sextante Engineering Ltd., and a Trainee / Ships Repair Coordinator at Enavi Shipyard Ltd. He is a Naval Mechanical Technician, with a degree in Industrial Engineering with emphasis in Offshore Installations, is certified as a Project Management Professional by PMI (Project Management Institute) and is an MBA student at Fundação Getulio Vargas (FGV). Mr. Nazário has 21 years of experience in the oil and gas industry, especially the upstream and downstream segments.

Geison Rodrigues Martins. Mr. Martins is currently Safety Training Coordinator for the ODN II Drillship. He has been a Job Safety Consultant at Ronda Consultoria, an Offshore Technical Computer Specialist at Brasdril and a computer trainee at Phoenix Leadership Ltda. He has also worked at Brasco Logística OffShore, QB7 Informática Ltda, ForShip Engenharia, Petroserv and Ventura Petróleo. Mr. Martins has more than six years of experience in the offshore oil and gas industry.

Compensation

All of the Operator's key personnel described above are employees of the Operator and/or its affiliates and receive their compensation in the form of monthly payments directly from the Operator and/or its affiliates.

RELATED PARTY TRANSACTIONS

The Project Companies are special purpose entities, the primary purpose of which is to own and operate the Vessels. The Project Companies are party to a shareholders' agreement with respect to the Issuer to provide for the proportional consolidation by each entity of the Issuer and the agreements described in "Business—Other Agreements." Additionally, as of December 31, 2013, the Project Companies had balances outstanding with respect to the following related party arrangements: (1) the amounts receivable by OOSL from each of ODN I GmbH, Norbe Six and Tay IV in connection with the vessel maintenance contract and reimbursements for ICMS import tax charges in the amount of U.S.$114,739 (2012 – U.S.$63,238) (see "Description of Principal Transaction Documents—Other Agreements—Specialized Oil Industry Services Agreement"); (2) the account receivable from Delba Drilling International Cöoperatie U.A, or Delba Coop, of U.S.$25,131 in connection with the settlement agreement dated November 29, 2013, wherein the Project Companies and Petrobras agreed to settle all late delivery charges in exchange for technical improvements the Delba Coop semisubmersible rig (see "Business—Late Delivery Penalties—The Intercompany Penalty Adjustments"); (3) the account payable to OOSL of U.S.$96,862 in connection with the construction management agreement and vessel maintenance contract (see "Description of Principal Transaction Documents—Other Agreements—Specialized Oil Industry Services Agreement"); and (4) the accounts payable to Odebrecht Oil & Gas of U.S.$10,846 in connection with the asset maintenance agreement (see "Description of Principal Transaction Documents—Other Agreements—Asset Maintenance Agreement"); or, collectively, the Existing Related Party Transactions. The Existing Related Party Transactions were, and any related party transactions subsequent to the issuance of the new notes would be, entered into on an arm's-length basis based on market terms after receipt of the relevant approvals of the boards of directors of the Project Companies to the extent permitted under the terms of the indenture governing the notes.

DESCRIPTION OF NOTES

In this Description of Notes, the term "Issuer" refers to Odebrecht Offshore Drilling Finance Limited, an exempted company organized under the laws of the Cayman Islands, the term "Original Guarantors" refers to ODN I GmbH and Odebrecht Drilling Norbe Six GmbH, each a limited liability company (*Gesellschaft mit beschränkter Haftung*) organized under the laws of Austria, and the term "Guarantors" refers to the Original Guarantors, ODN Tay IV GmbH and any other Additional Guarantor designated as described under "—Additional Notes." You can find the definitions of certain terms used in this description under "—Certain Definitions."

The Issuer will issue new notes under a supplemental indenture to be dated as of February 25, 2014, or the supplemental indenture, among the Issuer, the Guarantors, HSBC Bank USA, N.A., as trustee (in such capacity, and including any successor as trustee under the indenture, the "Trustee"), registrar, transfer agent and paying agent, HSBC Bank USA, N.A., as collateral agent (in its capacity as collateral agent for the Secured Parties, the "Collateral Agent"), HSBC Bank USA, N.A., as offshore accounts bank (in its capacity as offshore accounts bank under the Issuer Accounts Agreement (as defined below), the "Offshore Accounts Bank") and Banque Internationale à Luxembourg S.A., as Luxembourg listing agent, Luxembourg transfer agent and Luxembourg paying agent. The new notes will be Additional New Series Notes (as defined below) issued pursuant to the indenture dated as of August 6, 2013, or the original indenture, among the Issuer, the Guarantors, the Trustee, the Collateral Agent and Banque Internationale à Luxembourg S.A., as Luxembourg listing agent, Luxembourg transfer agent and Luxembourg paying agent.

In this "Description of Notes," references to the "new notes" are to the Series 2014-1 Notes offered hereby, references to the "initial notes" are to the U.S.$1,690 million aggregate principal amount of 6.75% senior secured notes due 2022 issued on August 6, 2013 under the original indenture, references to the "notes" are to the new notes, the initial notes and any additional notes issued pursuant to the terms of the indenture, and references to the "indenture" are to the original indenture as amended, modified and supplemented by the supplemental indenture.

The terms of the notes include those stated in the indenture and those made part of the indenture by reference to the U.S. Trust Indenture Act of 1939.

The following is a summary of the material provisions of the indenture and certain Financing Documents. Because this is a summary, it may not contain all the information that is important to you. You should read the indenture and the Financing Documents in their entirety. Copies of the proposed form of the indenture and the Financing Documents are available as described under "Listing and General Information" in this offering circular.

Basic Terms of New Notes

The new notes:

- are senior secured obligations of the Issuer;
- will be fully and unconditionally guaranteed on a senior secured basis by the Guarantors;
- will be secured on a first-priority basis by Liens on substantially all of the Issuer's and each of the Guarantor's assets (other than, in the case of ODN Six, the Equity Interests in, and the assets of, Odebrecht Drilling Services LLC) and all of the Equity Interests in each of the Issuer and the Guarantors;
- are issued in an aggregate principal amount of U.S.$580,000,000 and in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 above such amount;
- bear interest commencing on the date of issue at 6.625% per annum, payable quarterly on each March 1, June 1, September 1 and December 1 of each year, commencing on June 1, 2014, with the exception of the last interest payment due in 2022, which shall be due on October 1, 2022 and not September 1, 2022, to note holders of record on the date that is the fifteenth (15) day preceding each such interest payment date;
- during the Initial Extension Period and the Second Extension Period, if any, bear interest at a rate per annum equal to the per annum interest rate set forth on the cover of this offering circular multiplied by 1.5 and 1.75, respectively; and

- bear interest on overdue principal, and pay interest on overdue interest, at 2.0% per annum higher than the per annum rate set forth on the cover of this offering circular; it being understood, for the avoidance of doubt, that no such additional interest shall accrue with respect to any Shortfall Principal Amount (as defined below) deferred as described under "—Deferral of Principal Payment," until the second Quarterly Payment Date occurring after such deferral.

Interest will be computed on the basis of a 360-day year of twelve 30-day months. Any payments due on a day that is not a Business Day shall be due on the immediately succeeding Business Day.

Principal on the new notes will be payable on each Quarterly Payment Date, commencing on June 1, 2014 in the amounts set forth opposite the applicable Quarterly Payment Dates on the schedule below, subject to reduction on a *pro rata* basis in accordance with the indenture upon any partial redemption of the new notes.

Installment	Payment Date	Amortization
1	June 1, 2014	1.11%
2	September 1, 2014	1.28%
3	December 1, 2014	1.37%
4	March 1, 2015	1.34%
5	June 1, 2015	0.11%
6	September 1, 2015	1.37%
7	December 1, 2015	1.53%
8	March 1, 2016	1.65%
9	June 1, 2016	1.60%
10	September 1, 2016	1.55%
11	December 1, 2016	1.61%
12	March 1, 2017	1.62%
13	June 1, 2017	1.42%
14	September 1, 2017	1.61%
15	December 1, 2017	1.67%
16	March 1, 2018	1.69%
17	June 1, 2018	1.49%
18	September 1, 2018	1.68%
19	December 1, 2018	1.61%
20	March 1, 2019	0.68%
21	June 1, 2019	0.67%
22	September 1, 2019	1.59%
23	December 1, 2019	1.99%
24	March 1, 2020	2.24%
25	June 1, 2020	2.01%
26	September 1, 2020	2.15%
27	December 1, 2020	2.67%
28	March 1, 2021	0.91%
29	June 1, 2021	2.66%
30	September 1, 2021	2.79%
31	December 1, 2021	3.00%
32	March 1, 2022	2.48%
33	June 1, 2022	2.81%
34	October 1, 2022	4.04%
New Notes Balloon Amount	October 1, 2022	40.00%

The new notes shall be issued under Series 2014-1.

Maturity Date Extension

No later than 60 days before the original maturity date of the new notes, the Issuer shall deliver to the Trustee irrevocable powers-of-attorney and such other documents as may be necessary or appropriate to effectuate upon instructions of the Majority Holders the transfer under applicable Law of all right, title and interest in the Facilities

to such transferee or transferees as the Majority Holders (acting through the Collateral Agent) may designate, duly executed by the Issuer and each Guarantor, as applicable, to be held in escrow by the Collateral Agent. If on the date that is 25 days before the original maturity date of the new notes the aggregate amounts available on deposit in the Note Debt Service Account and the Guarantor Collateral Accounts (less the amounts necessary to pay all Operation and Maintenance Expenses and all Obligations coming due prior to the original maturity date) is less than the outstanding principal of and accrued and unpaid interest on the notes due on the original maturity date of the new notes, then (A) the original final maturity date of the new notes shall be automatically extended for an initial extension period of six months (such period being referred to as the "Initial Extension Period"), (B) the Collateral Agent shall be authorized as agent for the Guarantors and the Issuer, to the fullest extent permitted by applicable Law, to execute, deliver and file any and all documents, including any documents held in escrow by the Collateral Agent previously delivered to it by the Issuer and the Guarantors, to effectuate the transfer of title of the Facilities to a transferee designated by the Majority Holders (acting through the Collateral Agent); and (C) the Issuer and the Guarantors shall do and perform any and all acts (and execute any and all documents) as such Persons deem necessary (or as requested by the Trustee or the Collateral Agent) in order to effectuate such transfer; provided that, so long as no Event of Default shall have occurred and be continuing, any such transfer shall be made in consultation with the Issuer and the Guarantors.

During the Initial Extension Period, the remaining outstanding principal amount of the new notes shall bear interest at a rate per annum equal to the per annum interest rate for the new notes set forth on the cover of this offering circular multiplied by 1.5. On the last day of the Initial Extension Period, the Issuer shall apply all funds on deposit in the Note Debt Service Account pursuant to the Issuer Accounts Agreements to repay the remaining outstanding principal amount of the notes, together with interest accrued thereon and any other amounts payable under the indenture.

If on the date that is 25 days prior to the end of the Initial Extension Period the aggregate amounts available on deposit in the Note Debt Service Account and the Guarantor Collateral Accounts (less the amounts necessary to pay all Operation and Maintenance Expenses and all Obligations coming due prior to the end of the Initial Extension Period) is less than the outstanding principal of and accrued interest on the notes due on the last day of the Initial Extension Period, the final maturity date of the new notes shall be automatically extended for an additional period of six- months following the end of the Initial Extension Period, such period being referred to as the "Second Extension Period." During the Second Extension Period, the remaining outstanding principal amount of the new notes shall bear interest at a rate per annum equal to the per annum interest rate set forth on the cover of this offering circular multiplied by 1.75.

Upon the occurrence of any such transfer of title to the Facilities, the Collateral Agent shall apply all of the net proceeds from such transfer to repay all of the then outstanding Obligations. If after the application of all such net proceeds all of the then outstanding Obligations have been repaid in full, then the Collateral Agent shall promptly transfer any remaining balance of such net proceeds to an account of the Issuer nominated by it in writing to the Collateral Agent.

Deferral of Principal Payment

So long as no Event of Default shall have occurred and be continuing and the Issuer shall have determined that, on any Quarterly Payment Date, after the application of funds on deposit in the Guarantor Collateral Accounts on such date pursuant to the terms of the Guarantor Accounts Agreement (including, without limitation, pursuant to the provisions under "Accounts—Guarantor Accounts—Offshore Proceeds Accounts—Application of Proceeds on deposit in the Offshore Proceeds Accounts in case of Deficiencies") the funds on deposit in the Note Debt Service Account will not be sufficient to pay the full amount of principal on the new notes due on such Quarterly Payment Date, then the Issuer shall be entitled to a one-time deferral of the obligation to make the payment of the principal amount on the new notes due on such Quarterly Payment and, at its discretion, on the next succeeding Quarterly Payment Date (the aggregate amount of such deferred principal payments, the "Shortfall Principal Amount"), to be exercised by the Issuer in its sole discretion (such deferral, a "Deferral Event").

The Issuer will give the Trustee and the Collateral Agent written notice of the Deferral Event (which shall specify the Shortfall Principal Amount and the Quarterly Payment Dates on which such Shortfall Principal Amount was originally due) no earlier than 20 Business Days and no later than 10 Business Days prior to the initial Quarterly Payment Date on which it elects to exercise its right to have a Deferral Event.

If the Issuer elects to defer any Shortfall Principal Amount, such Shortfall Principal Amount will (1) accrue interest at the per annum rate then applicable to the new notes and (2) be due and payable on the second Quarterly Payment Date occurring after the latest Quarterly Payment Date on which any portion of such Shortfall Principal Amount was originally due, together with any interest accrued pursuant to clause (1).

Additional Notes

The indenture will not limit the aggregate principal amount of the notes that may be issued thereunder and will provide that additional notes may be issued from time to time in one or more series (any additional notes issued under a new series, the "Additional New Series Notes") pursuant to one or more supplemental indentures thereto, subject to all of the covenants set forth in the indenture, including, without limitation, the satisfaction of the Additional Notes Conditions (as defined below); provided that if any additional notes are not fungible with earlier notes of the same series for U.S. federal income tax purposes, these additional notes will have a separate CUSIP.

Prior to the authentication and delivery of notes of any series there shall be established by specification in a supplemental indenture:

(a) the title of the notes of such series (which shall distinguish the notes of such series from notes of all other series);

(b) any limit upon the aggregate principal amount of the notes of such series which may be authenticated and delivered under the indenture;

(c) the date or dates on which the principal of the notes of such series is payable or any formulary or other method or other means by which such date or dates shall be determined, by reference to an index or other fact or event ascertainable outside of the indenture or otherwise (without regard to any provisions for redemption, prepayment, acceleration, purchase or extension), and the right, if any, to extend the Stated Maturity of the notes of such series and the duration of any such extension; and

(d) the rate or rates at which the notes of such series shall bear interest, if any (including the rate or rates at which overdue principal shall bear interest after the applicable due date maturity if different from the rate or rates at which such notes shall bear interest prior to such due date, and, if applicable, the rate or rates at which overdue premium or interest shall bear interest, if any), or any formulary or other method or other means by which such rate or rates shall be determined by reference to an index or other fact or event ascertainable outside of the indenture or otherwise, the date or dates from which such interest shall accrue; the applicable interest payment dates and the applicable record dates, if any, for the interest payable on such notes on any applicable interest payment date, and the basis of computation of interest, if other than as provided in the indenture.

The aggregate principal amount of a series of notes may be increased and additional notes of such series (any additional notes issued under an existing series of notes being referred to herein as "Additional Same Series Notes") may be issued up to the maximum aggregate principal amount authorized with respect to such series as increased.

Unless otherwise stated, when we refer to "notes" in this section, we mean the notes originally issued on August 6, 2013 and any additional notes which may be issued from time to time under the indenture at a later date. The Additional New Series Notes and the Additional Same Series Notes are referred to herein collectively as the "Additional Notes." For the purposes of this section, the terms "series of notes" or "series" means a series, class or group of notes issuable under the indenture, and the term "original series of the notes" means the series of the initial notes issued under the indenture. Holders of one such series shall vote to direct the Trustee, the Collateral Agent or otherwise take action pursuant to a vote of such holders, together with the holders of any other series of notes.

The Issuer shall have the right to issue, without the consent of note holders, Additional Notes upon satisfaction of the following conditions (the "Additional Notes Conditions"):

(A) in the case of Additional Notes:

(1) all applicable Guarantor Collateral Accounts of the Original Guarantors and the owner of the Eligible Asset (the "Additional Guarantor") (and any other Additional Guarantor that became a Guarantor in connection with the issuance of Additional Notes occurring prior to the relevant issuance of Additional Notes) shall be funded to the

level of any required balances (whether by cash or Acceptable Letters of Credit, and taking into account the undrawn amount then available under any Reserve Account Letters of Credit credited to such accounts);

(2) the Issuer, the Additional Guarantor and their applicable Affiliates shall enter into additional security documents (including, without limitation, a Mortgage in respect of such Additional Guarantor's Eligible Asset, an Additional Guarantor Offshore Security Agreement, an Additional Guarantor Onshore Security Agreement, an Additional Guarantor Conditional Assignment of Contract and a Pledge Agreement with respect to the Equity Interests in such Additional Guarantor) and make all necessary filings so that (a) the Eligible Asset and all equipment necessary for the operation of the Eligible Asset in accordance with the relevant Acceptable Charter Arrangement and all other assets affixed to the Eligible Asset and (b) the Equity Interests in the Additional Guarantor (the assets described in clauses (a) and (b), the "Eligible Asset Collateral") are subject to first priority Liens in favor of the Collateral Agent, for the benefit of the Secured Parties, as collateral for all of the obligations of the Issuer under the notes, in each case subject only to existing Liens (solely to the extent that the Issuer agrees to apply the proceeds of the Additional Notes to repay in full or purchase any financing pursuant to which the Eligible Asset Collateral is subject to such existing Liens so that such existing Liens are released and first priority Liens on the Eligible Asset Collateral in favor of Collateral Agent for the benefit of the Secured Parties are created and perfected in accordance with substantially the same conditions for the release of the proceeds of the initial notes from the Note Proceeds Account) and Liens described in clauses (1) through (5) of the definition of "Permitted Liens;"

(3) the Original Guarantors and the Additional Guarantor (together with any other Additional Guarantor that became a Guarantor in connection with the issuance of Additional Notes occurring prior to the relevant issuance of Additional Notes) shall jointly and severally guarantee the payment and performance of all of the obligations of the Issuer under the notes;

(4) the Additional Guarantor shall establish and maintain collateral accounts and other unencumbered accounts on substantially the same terms as the accounts that are maintained by each Original Guarantor pursuant to the terms of the Guarantor Accounts Agreement (it being understood and agreed that all Guarantor Collateral Accounts that are jointly held by the Original Guarantors shall be jointly held by the Original Guarantors and the Additional Guarantor), and all collateral accounts held by the Additional Guarantor shall be subject to first priority Liens in favor of the Collateral Agent, for the benefit of the Secured Parties, pursuant to an Additional Guarantor Offshore Security Agreement and an Additional Guarantor Onshore Security Agreement;

(5) the proceeds of the Additional Notes shall be deposited in the Issuer's Note Proceeds Account and the release of such proceeds shall be subject to substantially the same conditions for the release of the proceeds of the initial notes from the Note Proceeds Account, including, without limitation, the delivery of the relevant officer's certificates and legal opinions;

(6) no Default or Event of Default shall have occurred and be continuing or shall occur as a result of or immediately after the issuance of the Additional Notes;

(7) delivery of a report of the Independent Appraiser regarding the value (with and without charter) of the Eligible Asset; and delivery of a report of the Independent Engineer confirming that the Eligible Asset complies in all material respects with the technical specifications required by the applicable Acceptable Charter Arrangement to which it is subject;

(8) delivery of a certificate of an Authorized Officer of the Issuer confirming that no event or circumstance has occurred that would reasonably be expected to have a material adverse effect on the viability of the Eligible Asset and the ability of the Additional Guarantor and the operator of the Eligible Asset to comply in all material respects with their respective obligations under the applicable Acceptable Charter Arrangement;

(9) delivery of a certificate of an Authorized Officer of the Issuer (together with written confirmation from the Insurance Advisor) confirming that the insurance coverage with respect to the Eligible Asset shall be in place with terms and conditions consistent with Good Practices for the relevant type of asset;

(10) delivery of a certificate of an Authorized Officer of the Issuer confirming that: (a) the Additional Guarantor, the operator of the Eligible Asset and the Eligible Asset are in compliance with all applicable Law (including Environmental Laws) and all applicable Governmental Approvals; (b) there is no action, suit, other legal proceeding, arbitral proceeding, inquiry or investigation pending or, to the best of the Issuer's knowledge, threatened by or before any Governmental Authority or in any arbitral or other forum, nor any order, decree or judgment in

effect, pending, or, to the best of the Issuer's knowledge, threatened against or affecting the Additional Guarantor or any material part of its Properties or rights, including the Eligible Asset, or the operator of the Eligible Asset in respect of the Eligible Asset; and (c) there are no ongoing, or currently threatened, strikes, slowdowns or work stoppages by the employees of the Additional Guarantor or the operator of the Eligible Asset; except, in the case of each of clauses (a), (b) and (c) above, as would not otherwise reasonably be expected to result in a material adverse effect on the viability of the Eligible Asset and the ability of the Additional Guarantor and the operator of the Eligible Asset to comply with their respective obligations under the applicable Acceptable Charter Arrangement and the Financing Documents to which they become a party;

(11) delivery of written evidence that each of Standard & Poor's, Moody's and Fitch or, if any or all of such ratings agencies do not then rate the notes, each other Rating Agency then having issued long-term debt ratings for the notes, has affirmed that the long-term debt ratings assigned to the notes by such Rating Agency will not be lower than the higher of (i) the long-term debt rating assigned to the notes by such Rating Agency immediately before giving effect to the issuance of the applicable Additional Notes and (ii) an Investment Grade Rating, in each case, after giving effect to the issuance of the applicable Additional Notes and the creation and perfection of the first priority Liens on the Eligible Asset in favor of the Collateral Agent for the benefit of the Secured Parties and taking into account the incremental revenues under the Acceptable Charter Arrangement relating to the Eligible Asset; and

(B) in the case of any Additional New Series Notes only:

(1) the covenants applicable to the Issuer, the Original Guarantors and the Additional Guarantor under the Additional New Series Notes shall be substantially the same covenants applicable to the Issuer and the Original Guarantors, as the case may be, under the indenture governing the initial notes and the terms governing the Additional New Series Notes (other than the title of such Additional New Series Notes, any limit upon the aggregate principal amount of such Additional New Series Notes and the terms and conditions with respect maturity, payment dates, interest and principal in respect of such Additional New Series Notes, which shall be specified in a supplemental indenture) shall be substantially the same terms governing the initial notes under the indenture; and

(2) the Additional New Series Notes shall have a final maturity not earlier than the final maturity date of the initial notes and the amortization schedule and average life to maturity of the Additional New Series Notes shall be at least as long as the amortization schedule and average life to maturity of the initial notes.

Payment of Additional Amounts

All payments by the Issuer in respect of the notes or by the Guarantors in respect of the Note Guarantees will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments, or other governmental charges of whatever nature imposed or levied by or on behalf of the Cayman Islands, Brazil, Austria or any other jurisdiction in which the Issuer or any Guarantor is resident for tax purposes, or any other jurisdiction through which any payments under the notes or the Note Guarantees are made, or any political subdivision of any such jurisdiction having power to tax (each, a "Relevant Jurisdiction"), unless the Issuer or the Guarantors are compelled by applicable Law to deduct or withhold such taxes, duties, assessments, or governmental charges. In such event, the Issuer or the Guarantors will make such deduction or withholding, make payment of the amount so withheld to the appropriate Governmental Authority and pay such additional amounts as may be necessary to ensure that the net amounts receivable by note holders after such withholding or deduction shall equal the respective amounts of principal, interest or other amounts which would have been receivable in respect of the notes or under the Note Guarantees in the absence of such withholding or deduction ("Additional Amounts"). No such Additional Amounts shall be payable:

- to, or to a third party on behalf of, a note holder who is liable for such taxes, duties, assessments or governmental charges in respect of such note or Note Guarantee by reason of the existence of any present or former connection between such note holder (or between a fiduciary, settlor, beneficiary, member or shareholder of such note holder, if such note holder is an estate, a trust, a partnership, a limited liability company or a corporation) and the Relevant Jurisdiction, including, without limitation, such note holder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein, other than the mere holding of the note or the benefit of the Note Guarantees or enforcement of rights and the receipt of payments with respect to the note or the Note Guarantees;

- in respect of notes presented for payment more than 30 days after the Relevant Date, except to the extent that the note holder would have been entitled to such Additional Amounts on surrender of such note for payment on or prior to the last day of such period of 30 days;

- where such Additional Amount is imposed on a payment to an individual and is required to be made pursuant to any applicable Law implementing or complying with, or introduced in order to conform to, European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000;

- to, or to a third party on behalf of, a note holder who is liable for such taxes, duties, assessments or other governmental charges by reason of such note holder's failure to comply with any certification, identification or other reporting requirement concerning the nationality, residence, identity or connection with the Relevant Jurisdiction, if (1) compliance is required by the Relevant Jurisdiction, as a precondition to, exemption from, or reduction in the rate of, the tax, assessment or other governmental charge and (2) the Issuer has given the note holders at least 30 days' notice that note holders will be required to provide such certification, identification or other requirement;

- in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property or similar tax, assessment or governmental charge;

- in respect of any tax, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of or interest on the note or payments by the Guarantors under the Note Guarantees or otherwise by direct payment by the Issuer or the Guarantors in respect of claims made against the Issuer or the Guarantors under the Financing Documents; or

- in respect of any combination of the above.

In addition, no Additional Amounts shall be paid with respect to any payment on a note to a note holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment to the extent that payment would be required by the applicable Laws of the Relevant Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership, an interest holder in a limited liability company or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the note holder.

In the event that Additional Amounts actually paid with respect to the notes or under the Note Guarantees described above are based on rates of deduction or withholding of withholding taxes in excess of the appropriate rate applicable to the holder or beneficial owner of such notes or the benefit of the Note Guarantees, and, as a result thereof such holder or beneficial owner is entitled to make claim for a refund or credit of such excess from the Governmental Authority imposing such withholding tax, then such holder or beneficial owner shall, by accepting such notes and the benefit of such Note Guarantees, be deemed to have assigned and transferred all right, title, and interest to any such claim for a refund or credit of such excess to the Issuer or the Guarantors, as applicable.

Any reference in this offering circular, the indenture or the notes to principal, interest or any other amount payable in respect of the notes by the Issuer or in respect of the Note Guarantees by the Guarantors will be deemed also to refer to any Additional Amount, unless the context requires otherwise, that may be payable with respect to that amount under the obligations referred to in this subsection.

The foregoing obligation will survive termination or discharge of the indenture, payment of the notes, discharge of the Note Guarantees and/or the resignation or removal of the Trustee, the Collateral Agent or any agent hereunder.

Optional Redemption

Except as set forth below, the new notes are not redeemable at the option of the Issuer.

Optional Redemption at Make-Whole Price

The Issuer may on any one or more occasions redeem the new notes, at its option, in whole or in part, at a "make- whole" redemption price equal to 100% of the principal amount of such new notes plus the present value at such redemption date of all required interest payments thereon through the final maturity date of the new notes

(excluding accrued but unpaid interest to the redemption date) discounted to the redemption date on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points; plus in each case any accrued and unpaid interest and Additional Amounts, if any, on such new notes to, but excluding, the redemption date, as calculated by the Independent Investment Banker.

Any redemption of new notes by the Issuer pursuant to this paragraph will be subject to either (i) there being at least U.S.$150.0 million in aggregate principal amount of new notes outstanding after such redemption or (ii) the Issuer redeeming all of the then-outstanding principal amount of the new notes.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining period until the final maturity date of the new notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining period until the final maturity date of the new notes.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by the Issuer.

"Comparable Treasury Price" means, with respect to any redemption date (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotation or (2) if the Independent Investment Banker obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"Reference Treasury Dealer" means HSBC Securities (USA) Inc., Morgan Stanley & Co. LLC, BNP Paribas Securities Corp. or their respective affiliates which are primary United States government securities dealers and not less than two other leading primary United States government securities dealers in New York City reasonably designated by the Issuer; provided that if any of the foregoing shall cease to be a primary United States government securities dealer in New York City (a "Primary Treasury Dealer"), the Issuer will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked price for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 3:30 p.m. New York City time on the third Business Day immediately preceding such redemption date.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the quarterly equivalent yield to maturity or interpolated maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

Optional Redemption without a Make-Whole Price

On any Quarterly Payment Date occurring after September 28, 2021, the Issuer may redeem the new notes, at its option, in whole or in part, at 100% of the principal amount of the new notes to be redeemed, plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date (subject to the right of holders of notes on the relevant record date to receive interest due on the relevant interest payment date).

Any redemption of new notes by the Issuer pursuant to this paragraph will be subject to either (i) there being at least U.S.$150.0 million in aggregate principal amount of new notes outstanding after such redemption or (ii) the Issuer redeeming all of the then-outstanding principal amount of the new notes.

Optional Redemption for Taxation Reasons

If as a result of any change in or amendment to the applicable Laws of a Relevant Jurisdiction, or any amendment to or change in an official interpretation, administration or application of such Laws, which change or amendment or change in official position becomes effective on or after the Initial Notes Issue Date or on or, with respect to a successor, after the date a successor assumes the obligations under the new notes, the Issuer, the Guarantors or any successor have or will become obligated to pay Additional Amounts as described above under "—Payment of Additional Amounts," the Issuer or its successor may, at its option, redeem all, but not fewer than all, of the new notes, at a redemption price equal to 100% of the principal amount of the new notes to be redeemed,

together with accrued and unpaid interest, if any, to, but excluding, the applicable redemption date, upon publication of irrevocable notice not less than 30 days nor more than 90 days prior to the applicable redemption date. No notice of such redemption may be given earlier than 90 days prior to the earliest date on which the Issuer, a Guarantor or successor would, but for such redemption, be obligated to pay the Additional Amounts. Notwithstanding the foregoing, neither the Issuer nor its successor shall have the right to so redeem the new notes unless: (i) it has used commercially reasonable efforts to avoid the obligation to pay Additional Amounts; and (ii) it has complied with all applicable Laws to legally effect such redemption; provided, however, that for this purpose commercially reasonable efforts shall not include, without limitation, any change in the Issuer's or any successor's, corporate form, jurisdiction of incorporation or organization or location of its principal executive or registered office.

In the event that the Issuer or its successor elects to so redeem the new notes, it will deliver to the Trustee: (1) a certificate of an Authorized Officer of the Issuer stating that the Issuer is entitled to redeem the notes pursuant to the indenture and setting forth a statement of facts showing that the condition or conditions precedent to the right of the Issuer to so redeem have occurred or been satisfied; and (2) an opinion of counsel to the effect that the Issuer, a Guarantor or successor has or will become obligated to pay Additional Amounts and that all governmental approvals necessary for the Issuer to effect the redemption have been obtained and are in full force and effect.

Mandatory Redemption

If as of the ODN Tay IV Note Proceeds Account Threshold Date (i) the Guarantors are not released from all of the ODN Tay IV Existing Project Finance Obligations or (ii) all funds on deposit in the Note Proceeds Account as a result of the issuance of the new notes are not released, then the Issuer shall instruct the Collateral Agent to disburse all funds then held on deposit in the Note Proceeds Account as a result of the issuance of the new notes to the Trustee and redeem the maximum principal amount of new notes, together with accrued and unpaid interest, if any, to, but excluding, the applicable redemption date (subject to the rights of note holders on the relevant record date to receive interest due on the relevant interest payment date) that may be redeemed with the funds then held on deposit in the Note Proceeds Account, at a redemption price equal to 100% of the principal amount of the new notes to be redeemed, together with accrued and unpaid interest, if any, to, but excluding, the applicable redemption date.

Optional and Mandatory Redemption Procedures

In the event that less than all of the new notes are to be redeemed at any time, selection of new notes for redemption will be made by the Trustee in compliance with the requirements governing redemptions of the principal securities exchange, if any, on which the new notes are listed or if such securities exchange has no requirement governing redemption or the new notes are not then listed on a securities exchange, on a *pro rata* basis (or, in the case of new notes issued in global form, based on a method that most nearly approximates a *pro rata* selection in accordance with the procedures of Depository Trust Company ("DTC")). If new notes are redeemed in part, the remaining outstanding principal amount of new notes (including any Additional Notes of the same series of the new notes) must be at least equal to U.S.$150.0 million.

Notice of any redemption will be mailed by first-class mail, postage prepaid, at least 30 but not more than 60 days before the redemption date to note holders to be redeemed at their respective registered addresses or otherwise in accordance with the procedures of the DTC. If new notes are to be redeemed in part only, the notice of redemption will state the portion of the principal amount thereof to be redeemed. In case of certificated new notes, a new note in a principal amount equal to the unredeemed portion thereof, if any, which must be in integral multiples of U.S.$1,000, will be issued in the name of the note holder thereof upon cancellation of the original new note (or appropriate adjustments to the amount and beneficial interests in a global note will be made, as appropriate).

New notes called for redemption will become due on the applicable redemption date. The Issuer will pay the redemption price for any new note, together with accrued and unpaid interest and Additional Amounts, if any, thereon, to, but excluding, the applicable redemption date. On and after the applicable redemption date, interest will cease to accrue on new notes or portions thereof called for redemption as long as the Issuer has deposited with the paying agent funds in satisfaction of the applicable redemption price pursuant to the indenture. Upon redemption of any new notes by the Issuer, such redeemed new notes will be cancelled.

In connection with any redemption required or permitted under the indenture, the applicable Guarantor shall make a prepayment on its Intercompany Credit Document to the extent necessary to allow the Issuer to (and the Issuer shall) consummate such redemption in accordance with the indenture.

Repurchase of Notes upon an Event of Loss

After any Event of Loss, each Guarantor may apply any Net Available Amount received by it as a result of such Event of Loss to Restore the Affected Property (or reimburse the Sponsor or any of its Affiliates for costs of Restoration of the Affected Property in accordance with the indenture and the Guarantor Accounts Agreement) without any obligation of the Issuer to make a purchase of notes; provided that if in respect of such Event of Loss (x) the Affected Property constitutes the entirety or any portion of any Drilling Unit ("Affected Drilling Unit Property") and (y) the Net Available Amount in respect of such Event of Loss is equal to or greater than U.S.$50.0 million, then the applicable Guarantor may not apply such Net Available Amount to Restore the Affected Drilling Unit Property unless, for any Event of Loss, the applicable Guarantor delivers to the Collateral Agent within 120 days of the occurrence of such Event of Loss a certificate of an Authorized Officer of the applicable Guarantor, together with a written confirmation from the Independent Engineer, stating that the aggregate of all Net Available Amounts, funds on deposit in the Guarantor Collateral Accounts, binding equity commitments with respect to funds, anticipated Insurance Proceeds and available proceeds from Permitted Subordinated Indebtedness or a Permitted Equity Issuance are sufficient to (x) Restore the Affected Drilling Unit Property and (y) pay scheduled principal and interest on the notes during the period of such Restoration.

Any Net Available Amount received by a Guarantor as a result of any Event of Loss that is not applied to Restore (or reimburse the Sponsor or any of its Affiliates for the costs of Restoration of) the Affected Property (or committed for Restoration by such Guarantor) within 180 days of the occurrence of such Event of Loss will be deemed "Excess Loss Proceeds." When accumulated Excess Loss Proceeds equals or exceeds U.S.$50.0 million, the Issuer must, within 30 days, make an Offer to Purchase the maximum principal amount of notes, together with accrued and unpaid interest, if any, to, but excluding, the applicable purchase date (subject to the rights of note holders on the relevant record date to receive interest due on the relevant interest payment date) that may be purchased with the Excess Loss Proceeds (any such Offer to Purchase, an "Excess Loss Offer"), at a purchase price equal to 100% of the principal amount of the notes to be purchased, together with accrued and unpaid interest, if any, to, but excluding, the applicable purchase date. Upon completion of any Excess Loss Offer, the amount of Excess Loss Proceeds will be reset at zero, and any Excess Loss Proceeds remaining after consummation of such Excess Loss Offer may be used for any purpose not otherwise prohibited by the indenture.

Repurchase of Notes upon a Disposition

No Guarantor will consummate a Disposition unless (1) such Disposition is for Fair Market Value and otherwise permitted under the indenture (see "—Certain Covenants—Merger, Consolidation, Sale or Purchase of Assets"), and (2) at least 90% of the consideration therefor received by the applicable Guarantor is in the form of cash, Cash Equivalents or Replacement Assets or any combination thereof. (For these purposes, the assumption by the purchaser of Indebtedness or other obligations (other than Permitted Subordinated Debt) of the applicable Guarantor pursuant to customary arrangements, and instruments or securities received from the purchaser that are promptly, but in any event within 30 days of the closing, converted by the applicable Guarantor to cash, to the extent of the cash actually so received, shall be considered cash received at closing).

Within 360 days after the receipt by a Guarantor of any Net Disposition Proceeds, such Guarantor may apply up to an amount in aggregate equal to such Net Disposition Proceeds to make any capital expenditure or to purchase Replacement Assets (or enter into a binding agreement to make such capital expenditure or to purchase any such Replacement Assets); provided that such capital expenditure or purchase is consummated within the later of (x) 360 days after the receipt of the relevant Net Disposition Proceeds and (y) 180 days after the date of such binding agreement.

Any Net Disposition Proceeds not applied or invested as provided in the preceding paragraphs will be deemed "Excess Disposition Proceeds." When accumulated Excess Disposition Proceeds equals or exceeds U.S.$50.0 million, the Issuer must, within 30 days, make an Offer to Purchase the maximum principal amount of notes, together with accrued and unpaid interest, if any, to, but excluding, the applicable purchase date (subject to the rights of note holders on the relevant record date to receive interest due on the relevant interest payment date) that may be purchased with the Excess Disposition Proceeds (any such offer, an "Excess Disposition Offer"), at a purchase price equal to 100% of the principal amount of the notes to be purchased, together with accrued and unpaid interest, if any, to, but excluding, the applicable purchase date. Upon completion of any Excess Disposition Offer, Excess Disposition Proceeds will be reset at zero, and any Excess Disposition Proceeds remaining after consummation of such Excess Disposition Offer may be used for any purpose not otherwise prohibited by the indenture.

Repurchase of Notes upon a Change of Control

Not later than 30 days following a Change of Control that results in a Rating Decline, the Issuer must make an Offer to Purchase all, but not less than all, of the notes at a purchase price equal to 101% of the principal amount of the notes to be purchased, together with accrued and unpaid interest, if any, to, but excluding, the applicable purchase date (subject to the rights of note holders on the relevant record date to receive interest due on the relevant interest payment date).

An Offer to Purchase may be made in advance of a Change of Control and conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Offer to Purchase is made.

Offer to Purchase Procedures

An "Offer to Purchase" by the Issuer must be made by written offer, which will specify the principal amount of notes subject to the offer and the purchase price. The offer must specify an expiration date (the "expiration date") not less than 30 days or more than 60 days after the date of the offer and a settlement date for purchase (the "purchase date") not more than five business days after the expiration date. The offer must include information concerning the business of the Issuer and the Guarantors which the Issuer and the Guarantors in good faith believe will enable the note holders to make an informed decision with respect to the Offer to Purchase. The offer will also contain instructions and materials necessary to enable note holders to tender notes pursuant to the offer.

A note holder may tender all or any portion of its notes pursuant to an Offer to Purchase, subject to the minimum denomination requirement and the requirement that any portion of a note tendered must be in a multiple of U.S.$1,000 principal amount. Note holders are entitled to withdraw notes tendered up to the close of business on the expiration date. On the purchase date, the purchase price will become due and payable on each note accepted for purchase pursuant to the Offer to Purchase, and interest on notes purchased will cease to accrue on and after the purchase date.

If an Offer to Purchase is for less than all of the outstanding notes and notes in an aggregate principal amount in excess of the purchase amount are tendered and not withdrawn pursuant to the offer, then the Issuer will purchase notes having an aggregate principal amount equal to the purchase amount on a *pro rata* basis, with adjustments so that only notes in multiples of $1,000 principal amount will be purchased.

In connection with any Offer to Purchase, the applicable Guarantor shall make a prepayment on its Intercompany Credit Document to the extent necessary to allow the Issuer to (and the Issuer shall) consummate such Offer to Purchase in accordance with the indenture.

The Issuer will comply with Rule 14e-1 under the Exchange Act (to the extent applicable) and all other applicable Laws in making any Offer to Purchase, and the above procedures will be deemed modified as necessary to permit such compliance.

The Issuer and the Guarantors will agree in the indenture to obtain all necessary consents and approvals from any Governmental Authority for any required remittance of funds outside of any jurisdiction in connection with any Offer to Purchase.

In the event that the holders of not less than 90% of the aggregate principal amount of the outstanding notes accept an Offer to Purchase and the Issuer purchases all the notes held by such holders, the Issuer will have the right, on not less than 30 nor more than 60 days' prior notice, given not more than 30 days following the purchase pursuant to the Offer to Purchase described above, to redeem all of the notes that remain outstanding following such purchase at the purchase price equal to that in the Offer to Purchase plus, to the extent not included in the Offer to Purchase payment, accrued and unpaid interest and Additional Amounts, if any, on the notes that remain outstanding, to the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

The Issuer will not be required to make any Offer to Purchase pursuant to the terms of the indenture if (1) a third party makes the Offer to Purchase in the manner, at the times and otherwise in compliance with the requirements set forth in the indenture applicable to an Offer to Purchase made by the Issuer and purchases all notes properly tendered and not withdrawn under the Offer to Purchase or (2) notice of redemption for all outstanding

notes has been given pursuant to the indenture as described above under the caption "—Optional Redemption" or the caption "—Mandatory Redemption," unless and until there is a default in payment of the applicable redemption price.

The Issuer's ability to pay cash to the note holders under an Offer to Purchase may be limited by the Issuer's or the Guarantors' then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the notes. See "Risk Factors—Risks Relating to the New Notes and the Note Guarantees."

The provisions under the indenture relating to the Issuer's obligation to make an Offer to Purchase may be waived or amended as described in "—Amendments and Waivers."

Note Guarantees

The Guarantors will jointly, severally, unconditionally and irrevocably guarantee the full and prompt payment of principal and interest on the notes and all other payment obligations of the Issuer under the indenture, when and as the same become due and payable, whether at maturity, upon redemption or repurchase, by declaration of acceleration or otherwise, including any Additional Amounts required to be paid in connection with certain taxes.

Nothing in the indenture or the other Financing Documents shall be construed to create any obligation of any Guarantor to act in violation of mandatory Austrian capital maintenance rule (*Kapitalerhaltungsvorschriften*), including, without limitation, section 82 et seq. of the Austrian Act on Limited Liability Companies (*Gesetz über Gesellschaften mit beschränkter Haftung - GmbHG*) and section 52 et seq. of the Austrian Act on Joint Stock Companies (*Aktiengesetz - AktG*) (the "Austrian Capital Maintenance Rules"), and all obligations of the Guarantors under the indenture and the other Financing Documents shall be limited in accordance with Austrian Capital Maintenance Rules.

Should any obligation of the Guarantors under the indenture or any other Financing Document violate or contradict Austrian Capital Maintenance Rules and should therefore be held invalid or unenforceable, such obligation shall be deemed to be replaced by an obligation of a similar nature which is in compliance with Austrian Capital Maintenance Rules and which provides the best possible security interest in favor of the Collateral Agent and the other Secured Parties. By way of example, should it be held that the security interest created under any Financing Document is contradicting Austrian Capital Maintenance Rules in relation to any amount of the applicable secured obligations, the security interest created under such Financing Document shall be reduced to such a maximum amount of the applicable secured obligations which is permitted pursuant to Austrian Capital Maintenance Rules.

No reduction of an amount enforceable under the indenture or any other Financing Document pursuant to these limitations will prejudice the rights of the Secured Parties or the Collateral Agent acting for and on behalf of the Secured Parties to continue enforcing their or its rights under the indenture or any other Financing Document, subject to certain Austrian capital maintenance limitations, until full satisfaction of the Project Parties' obligations under the Financing Documents.

Ranking

The new notes will be senior secured obligations of the Issuer, will rank equally with all of its other existing and future unsubordinated obligations (including the initial notes and all Additional Notes), and will benefit from a first priority Lien on the Collateral.

The Note Guarantees will be senior secured obligations of the Guarantors, will rank equally with all other existing unsubordinated obligations of the Guarantors, and will benefit from a first priority Lien on the Collateral, except that, prior to the release of the Liens on the ODN Tay IV Existing Project Finance Collateral on or prior to the ODN Tay IV Note Proceeds Account Threshold Date pursuant to the terms of the indenture, the ODN Tay IV Existing Project Finance Secured Parties will have a prior claim on the assets of ODN Tay IV GmbH and the Equity Interests in ODN Tay IV GmbH covered by the Liens on the ODN Tay IV Existing Project Finance Collateral (see "Risk Factors—Risks Relating to the New Notes and the Note Guarantees—After the application of a portion of the proceeds of this offering to cause ODN Tay IV GmbH to be released from the ODN Tay IV Existing Project Finance Obligations and before the creation and perfection of a first priority security interest in the ODN Tay IV Collateral, the obligations under the new notes and the Note Guarantees may not be fully secured").

Accounts

Issuer's Accounts

Note Proceeds Account

Pursuant to the terms of the Issuer Accounts Agreement, the Issuer has established with the Offshore Accounts Bank, at its offices in London, a segregated cash collateral account denominated in Dollars (the "Note Proceeds Account"). On the New Notes Issue Date, pursuant to the terms of the supplemental indenture, the net proceeds of the new notes will be deposited into the Note Proceeds Account. Pursuant to the terms of the Issuer Accounts Agreement, the net proceeds from the offering of the new notes will be pledged to the Collateral Agent for the benefit of the Secured Parties to secure payment of the principal, premium, if any, and interest on the notes. The Issuer shall be permitted to utilize amounts deposited in the Note Proceeds Account as a result of the issuance of the new notes only for (1) the ODN Tay IV First Note Proceeds Utilization (as defined below), (2) the ODN Tay IV Second Note Proceeds Utilization (as defined below) and (3) the payment of interest due in respect of the notes on June 1, 2014 (if such date occurs prior to the ODN Tay IV Second Note Proceeds Utilization).

In addition, on or before the New Notes Issue Date, the Collateral Agent shall have received:

(a) A certificate of an Authorized Officer of each Guarantor or the Issuer (as applicable) and legal opinions from external counsel to the Issuer described in the New Notes Purchase Agreement to the effect that (subject to customary exceptions and qualifications):

(i) each of the New Notes Issue Date Security Documents has been duly authorized, executed and delivered, as applicable, by the Issuer, the Guarantors and the other applicable Project Parties and constitutes the legal, valid, and binding obligation of the Issuer, the Guarantors and the other applicable Project Parties, as the case may be, enforceable against the Issuer, the Guarantors and the applicable Project Parties in accordance with their respective terms; and

(ii) all filings and other actions necessary for the creation and perfection of a Lien on the New Notes Issue Date Collateral in favor of the Collateral Agent for the benefit of the Secured Parties securing the Obligations have been completed to the extent required by the New Notes Issue Date Security Documents.

If on or prior to the date occurring 120 days after the New Notes Issue Date (the "ODN Tay IV Note Proceeds Account Threshold Date"), the Collateral Agent receives:

(a) A certificate of an Authorized Officer of ODN Tay IV GmbH, the Operator (as applicable) and the applicable Project Parties stating that:

(i) pursuant to the terms of assignments, releases, termination statements and other documents to be delivered in escrow prior to the ODN Tay IV Note Proceeds Account Threshold Date to the Collateral Agent, promptly following the release and application of funds on deposit in the Note Proceeds Account, all Liens on the ODN Tay IV Existing Project Finance Collateral will be released and ODN Tay IV GmbH will be released from all ODN Tay IV Existing Project Finance Obligations;

(ii) the Note Guarantees and each of the ODN Tay IV Security Documents have been duly authorized, executed and delivered in escrow to the Collateral Agent by all parties thereto; and

(iii) immediately prior to and after the application of funds on deposit in the Note Proceeds Account to secure the release of ODN Tay IV GmbH from all of the ODN Tay IV Existing Project Finance Obligations, no Default shall exist.

(b) Legal opinions from external counsel to the Issuer described in the indenture to the effect that:

(i) each of the ODN Tay IV Security Documents has been duly authorized, executed and delivered by the Issuer, the Guarantors, the Operator (as applicable) and the applicable Project Parties and upon release from escrow will constitute the legal, valid, and binding obligation of

the Issuer, the Guarantors, the Operator and the applicable Project Parties, as the case may be, enforceable against the Issuer, the Guarantor, the Operator and the applicable Project Parties in accordance with their respective terms; and

(ii) the payoff letters, receipts, assignments, releases, termination statements and other documents delivered in escrow prior to the ODN Tay IV Note Proceeds Account Threshold Date to the Collateral Agent will, promptly following the release and application of funds on deposit in the Note Proceeds Account, result in all Liens on the ODN Tay IV Existing Project Finance Collateral being released or assigned to the Collateral Agent;

then the Collateral Agent shall apply a portion of the net proceeds of the new notes on deposit in the Note Proceeds Account (the "ODN Tay IV First Note Proceeds Utilization") as directed by the Issuer, which shall direct the application of such amounts to cause (A) the release of ODN Tay IV GmbH from all ODN Tay IV Existing Project Finance Obligations in accordance with the terms of the supplemental indenture, (B) pay (or reimburse the Operator for the payment of) for all fees and expenses payable to the initial purchasers pursuant to the terms of the New Notes Purchase Agreement and (C) the funding of the Offshore Sinking Fund Account in the amount of U.S.$30.0 million, in exchange for one or more ODN Tay IV Intercompany Issuer Notes in a principal amount equal to the amount of funds applied pursuant to clauses (A), (B) and (C).

If on or prior to the ODN Tay IV Note Proceeds Account Threshold Date the Collateral Agent receives:

(a) A certificate of an Authorized Officer of the Issuer stating that:

(i) ODN Tay IV GmbH has been released from all ODN Tay IV Existing Project Finance Obligations and all Liens on the ODN Tay IV Existing Project Finance Collateral created under or pursuant to any ODN Tay IV Existing Project Financing Documents shall have been released or assigned to the Collateral Agent;

(ii) all filings and other actions necessary for the creation and perfection of a Lien in the ODN Tay IV Collateral in favor of the Collateral Agent for the benefit of the Secured Parties have been completed; and

(iii) immediately prior to and after the release of all remaining funds on deposit in the Note Proceeds Account, no Default shall exist; and

(b) Legal opinions from external counsel to the Issuer described in the indenture to the effect that all filings and other actions necessary for the creation and perfection of a Lien on the ODN Tay IV Collateral in favor of the Collateral Agent for the benefit of the Secured Parties have been completed to the extent required by the ODN Tay IV Security Documents;

then the Collateral Agent shall apply the remaining portion of the net proceeds of the new notes on deposit in the Note Proceeds Account (the "ODN Tay IV Second Note Proceeds Utilization") at the direction of ODN Tay IV GmbH for general corporate purposes of ODN Tay IV GmbH and the Operator in accordance with the supplemental indenture, in exchange for amended and restated ODN Tay IV Intercompany Issuer Notes in a principal amount equal to the principal amount of the new notes.

The collateral assignments of the ODN Tay IV Charter Agreement and the ODN Tay IV Services Agreement securing the ODN Tay IV Existing Project Finance Obligations have the benefit of acknowledgement and consent agreements executed by Petrobras, but there can be no assurance that new acknowledgement and consent agreements will be available from Petrobras in connection with the issuance of the new notes. In the event ODN Tay IV GmbH is unable to obtain from Petrobras prior to the New Notes Issue Date agreement from Petrobras with respect to new acknowledgement and consent agreements relating to the collateral assignments of the ODN Tay IV Charter Agreement and the ODN Tay IV Services Agreement in connection with the new notes issuance, the Issuer may, at the time of the New Notes First Note Proceeds Utilization, use the new notes proceeds to purchase from holders of the ODN Tay IV Existing Project Finance Obligations all of the right, title and interest of such holders in, to and under such ODN Tay IV Existing Project Finance Obligations and the ODN Tay IV Existing Project Finance Documents (including the existing Petrobras acknowledgement and consent documents) (an "ODN Tay IV Existing Project Finance Loan Purchase"); provided that

(a) ODN Tay IV GmbH shall have provided prior to the New Notes Issue Date an opinion of Brazilian counsel to the Collateral Agent to the effect that the Lien of the Collateral Agent for the benefit of the Secured Parties over the ODN Tay IV Charter Agreement and ODN Tay IV Services Agreement will, upon release of the ODN Tay IV Security Documents from escrow, continue to be perfected without contravention of the ODN Tay IV Charter Agreement and ODN Tay IV Service Agreement;

(b) the Issuer shall ensure that all of the ODN Tay IV Existing Project Finance Obligations are either prepaid by the ODN Tay IV GmbH or purchased by the Issuer with a portion of the new notes proceeds promptly following the date of the New Notes First Note Proceeds Utilization; and

(c) immediately following the repayment or purchase of all of the ODN Tay IV Existing Project Finance Obligations, the Issuer shall

(i) amend and restate the ODN Tay IV Existing Credit Agreement so that the aggregate principal amount thereunder is equal to the aggregate principal amount of the new notes and that the economic terms thereof are substantially the same as the new notes, and

(ii) amend and restate the ODN Tay IV Existing Project Finance Documents supporting the ODN Tay IV Existing Project Finance Obligations to conform to the terms contemplated in the indenture for the ODN Tay IV Security Documents.

Note Debt Service Account

Pursuant to the terms of the Issuer Accounts Agreement, the Issuer has established with the Offshore Accounts Bank, at its offices in London, a segregated cash collateral account denominated in Dollars (the "Note Debt Service Account"). Amounts on deposit in the Note Debt Service Account will be used to pay amounts in respect of the Obligations on any date when such amounts are due.

Note Prepayment Account

Pursuant to the terms of the Issuer Accounts Agreement, the Issuer has established with the Offshore Accounts Bank, at its offices in London, a segregated cash collateral account denominated in Dollars (the "Note Prepayment Account"). Amounts on deposit in the Note Prepayment Account shall be applied in connection with any optional or mandatory redemption of the notes and the consummation of any Offers to Purchase, in each case pursuant to the terms of the indenture.

Guarantors' Accounts

On or before the New Notes Issue Date, pursuant to the terms of the Guarantor Accounts Agreement (as amended and supplemented by the ODN Tay IV Joinder Agreement), each Guarantor will have established with the Offshore Accounts Bank, at its offices in London, the following segregated and irrevocable cash collateral accounts, each of which shall be denominated in Dollars (collectively, the "Guarantor Individual Collateral Accounts"):

- the Offshore Proceeds Account;
- the Offshore O&M Service Reserve Account;
- the Offshore Loss Proceeds and Compensation Account;
- the Offshore Disposition Proceeds Account;
- the Norbe VI Offshore Penalty Reserve Account (which shall be held solely by ODN Six); and
- the Offshore Distribution Holding Account.

On or before the New Notes Issue Date, pursuant to the terms of the Guarantor Accounts Agreement (as amended and supplemented by the ODN Tay IV Joinder Agreement), the Guarantors will have jointly established with the Offshore Accounts Bank, at its offices in London, the following segregated and irrevocable cash collateral accounts, each of which shall be denominated in Dollars (collectively, the "Guarantor Joint Collateral Accounts," together with the Guarantor Individual Collateral Accounts, the "Guarantor Collateral Accounts"):

- the Offshore Debt Service Reserve Account;
- the Offshore Sinking Fund Account;
- the Offshore Charter Termination Account; and
- the Offshore Retention Account.

In addition to the funds required to be deposited in the Guarantor Collateral Accounts pursuant to the terms of the indenture and the Guarantor Accounts Agreement, each of the Issuer and the Guarantors shall have the right at any time to deposit into any of the Guarantor Collateral Accounts, the Offshore Distribution Accounts and the Guarantor O&M Service Accounts any cash proceeds from any Permitted Equity Issuance by the Issuer or any Guarantor or Permitted Subordinated Indebtedness incurred by any Guarantor.

Offshore Proceeds Accounts

Source of Proceeds to be deposited in the Offshore Proceeds Accounts

The following amounts shall be deposited into each Guarantor's Offshore Proceeds Account directly, or if received by the Issuer, any Guarantor, the Offshore Accounts Bank or any other Person, as soon as practicable upon receipt, in each case for application in accordance with the terms of the Guarantor Accounts Agreement: (i) all Offshore Project Receipts in respect of the Drilling Units owned by such Guarantor; (ii) any transfers from the other Guarantor Collateral Accounts pursuant to the terms of the Guarantor Accounts Agreement; and (iii) all amounts deposited into such Guarantor's Offshore Proceeds Account pursuant to the Undertaking Agreement.

Application of Proceeds on deposit in the Offshore Proceeds Accounts

Amounts on deposit in each Guarantor's Offshore Proceeds Account shall be applied in the following order of priority:

(1) First: On each Monthly Transfer Date, the Offshore Accounts Bank shall withdraw and transfer to the Guarantor O&M Service Account owned by such Guarantor the amounts certified in the Monthly Transfer Date Certificate to be the applicable Guarantor O&M Dollar Transfer Amount in respect of the Drilling Units owned by such Guarantor for such Monthly Transfer Date; provided that no such transfer shall be made to the applicable Guarantor O&M Service Account if a Charter Agreement Renewal Event in respect of any applicable Drilling Unit has not occurred prior to the scheduled termination date of the applicable Charter Agreement and Services Agreement.

(2) Second: On each Quarterly Payment Date, after making any transfers pursuant to the previous paragraph required to be made on or prior to such Quarterly Payment Date, the Offshore Accounts Bank shall withdraw and transfer to the Note Debt Service Account, the amount certified in the applicable Quarterly Payment Date Certificate to be the aggregate of all principal, interest and other amounts (including, without limitation, the amount of any and all fees, indemnifications, reimbursements, expenses, damages and other liabilities) payable by such Guarantor under the Financing Documents to which such Guarantor is a party that are due on or before such Quarterly Payment Date.

(3) Third: On each Quarterly Payment Date, after making the transfers (if any) specified in the previous paragraphs required to be made on or prior to such Quarterly Payment Date, the Offshore Accounts Bank shall (i) withdraw and transfer to such Guarantor's Offshore O&M Service Reserve Account the amount (if any) certified in the applicable Quarterly Payment Date Certificate to be the amount necessary to make the funds on deposit in such Guarantor's Offshore O&M Service Reserve Account (taking into account the undrawn amount then available under any Reserve Account Letter of Credit credited to such Offshore O&M Service Reserve Account outstanding as of such Quarterly Payment Date) equal to the Offshore O&M Service Reserve Account Required Balance in respect of such Guarantor's Offshore O&M Service Reserve Account as of such Quarterly Payment Date and (ii) withdraw and transfer to an account designated by the relevant Guarantor in writing the amount (if any) certified in the applicable Quarterly Payment Date Certificate to be the amount necessary to pay the fees charged by the issuing bank for any such Reserve Account Letter of Credit;

(4) Fourth: On each Quarterly Payment Date, after making the transfers (if any) specified in the previous paragraphs required to be made on or prior to such Quarterly Payment Date, the Offshore Accounts Bank shall (i) withdraw and transfer to the Offshore Debt Service Reserve Account the amount (if any) certified in the applicable Quarterly Payment Date Certificate to be the amount necessary to make the funds on deposit in the Offshore Debt Service Reserve Account (taking into account the undrawn amount then available under any Reserve Account Letter of Credit credited to the Offshore Debt Service Reserve Account outstanding as of such Quarterly Payment Date and the amount of any transfers to the Offshore Debt Service Reserve Account from the Offshore Proceeds Account held by the other Guarantor on such Quarterly Payment Date) equal to the Offshore Debt Service Reserve Account Required Balance as of such Quarterly Payment Date and (ii) withdraw and transfer to an account designated by any of the Guarantors in writing the amount (if any) certified in the applicable Quarterly Payment Date Certificate to be the amount necessary to pay the fees charged by the issuing bank for any such Reserve Account Letter of Credit;

(5) Fifth: On each Quarterly Payment Date, after making the transfers (if any) specified in the previous paragraphs required to be made on or prior to such Quarterly Payment Date, the Offshore Accounts Bank shall withdraw and transfer to such Guarantor's Offshore Distribution Holding Account the amount remaining in such Guarantor's Offshore Proceeds Account.

Application of Proceeds on deposit in the Offshore Proceeds Accounts in case of Deficiencies

If, on any Monthly Transfer Date or (subject to the provisions below) any Quarterly Payment Date, the amount available in any Guarantor's Offshore Proceeds Account is insufficient to make all of the transfers required therefrom by paragraphs (1), (2), (3) and (4) under "—Application of Proceeds on deposit in the Offshore Proceeds Accounts" in full, (x) amounts shall be withdrawn and applied from all of the Offshore Proceeds Accounts on an aggregate basis, in accordance with the priorities set forth above, to the transfers required for each of the Guarantors under paragraphs (1), (2), (3) and (4) under "—Application of Proceeds on deposit in the Offshore Proceeds Accounts," and (y) if the aggregate amount in the Offshore Proceeds Accounts is insufficient to make all such transfers with respect to all such Guarantors, the amount of any such remaining insufficiency shall be withdrawn from the following sources (to the extent of funds available in such sources) in the following order of priority and deposited into such Guarantor's Offshore Proceeds Account for application as specified in below:

first, from funds in such Guarantor's Offshore Distribution Holding Account, for application as described under (1), (2), (3) and (4) under "—Application of Proceeds on deposit in the Offshore Proceeds Accounts;"

second, from funds in the other Guarantor's Offshore Distribution Holding Account (to the extent funds are available in such account following application of funds pursuant to the provisions of "—Application of Proceeds on deposit in the Offshore Proceeds Accounts in case of Deficiencies" with respect to an insufficiency of funds on deposit in the other Guarantor's Offshore Proceeds Account), for application as described under (1) and (2) of "—Application of Proceeds on deposit in the Offshore Proceeds Accounts;"

third, from funds in the Offshore Sinking Fund Account, for application as described under (1), (2), (3) and (4) of "—Application of Proceeds on deposit in the Offshore Proceeds Accounts;"

fourth, from funds in the Offshore Charter Termination Account, for application as described under (2) of "—Application of Proceeds on deposit in the Offshore Proceeds Accounts;"

fifth, from funds in the Offshore Debt Service Reserve Account, for application as described under (2) of "—Application of Proceeds on deposit in the Offshore Proceeds Accounts;" and

sixth, from funds in the Offshore Retention Account, for application as described under (2) of "—Application of Proceeds on deposit in the Offshore Proceeds Accounts."

If on any Monthly Transfer Date or any Quarterly Payment Date, following the applicable transfers pursuant to the provisions under "—Application of Proceeds on deposit in Offshore Proceeds Accounts in case of Deficiencies," any transfer required at any of the priorities as described under (1), (2), (3) or (4) of "—Application of Proceeds on deposit in the Offshore Proceeds Accounts" has not been completed in full as a result of an insufficiency of funds, until such time as such transfer has been completed in accordance with the relevant Monthly Transfer Date Certificate or Quarterly Payment Date Certificate, as the case may be, each time funds are received in the Offshore Proceeds Account of the applicable Guarantor, such Guarantor shall (or, failing such Guarantor, the Collateral Agent, may) instruct the Offshore Accounts Bank to promptly apply such funds to complete such incomplete transfer in accordance with the relevant Monthly Transfer Date Certificate or Quarterly Payment Date Certificate, as

the case may be, and the Offshore Accounts Bank shall follow such instructions and (ii) the Offshore Accounts Bank shall make no transfers at any priority under "—Application of Proceeds on deposit in Offshore Proceeds Accounts in case of Deficiencies" that is after the priority of such incomplete transfer until any such incomplete transfer is completed.

Any transfers to any Guarantor pursuant to the provisions under "—Application of Proceeds on deposit in Offshore Proceeds Accounts in case of Deficiencies" shall be deemed to be Permitted Subordinated Indebtedness incurred by such Guarantor.

Offshore O&M Service Reserve Accounts

On or prior to the New Notes Issue Date, ODN Tay GmbH shall (or shall cause one or more of its Affiliates to) provide to the Offshore Accounts Bank cash (other than the net proceeds of the new notes) or one or more Reserve Account Letters of Credit in the amount of the Offshore O&M Service Reserve Account Required Balance in respect of such Guarantor's Offshore O&M Service Reserve Account for credit to such Guarantor's Offshore O&M Service Reserve Account.

If on any Monthly Transfer Date the amounts available in the Onshore Proceeds and Service Account and in each Guarantor's Offshore Proceeds Account will be insufficient, following the transfers required pursuant to the Guarantor Accounts Agreement, to make the transfers in the aggregate amount of the O&M Monthly Expense Amount in respect of such Guarantor's Drilling Unit(s), the relevant Guarantor may request, in the relevant Monthly Transfer Date Certificate, that the Offshore Accounts Bank withdraw the amount of such insufficiency from such Guarantor's Offshore O&M Service Reserve Account (to the extent of funds available therein) and deliver such amount to the Onshore Proceeds and Service Account or such Guarantor's Offshore Proceeds Account (as such Guarantor shall specify in the relevant Monthly Transfer Date Certificate); provided that in no event shall any such transfer be made unless approved in a written instruction to the Offshore Accounts Bank from the Independent Engineer. Any such transfer, if so approved, shall be made, as the case may be, (1) to the Onshore Accounts Bank, which shall (x) convert such amount into Reais pursuant to the terms of the Guarantor Accounts Agreement, and transfer such Reais into the Onshore Proceeds and Service Account for application as specified in the Guarantor Accounts Agreement and (y) pay from such amount, to the relevant Governmental Authorities, the amount (if any) set forth in the Monthly Transfer Date Certificate and certified therein to be the aggregate amount of all withholding taxes and other charges arising from such transfer, or (2) to the applicable Guarantor's Offshore Proceeds Account for application as specified in the Guarantor Accounts Agreement.

If, on any Quarterly Payment Date, the aggregate amount in any Guarantor's Offshore O&M Service Reserve Account exceeds the Offshore O&M Service Reserve Account Required Balance in respect of such Guarantor's Offshore O&M Service Reserve Account as of such Quarterly Payment Date, the relevant Guarantor may request, in the Quarterly Payment Date Certificate relating to such Quarterly Payment Date, the transfer of such excess amount to such Guarantor's Offshore Proceeds Account on such Quarterly Payment Date pursuant to the terms of the Guarantor Accounts Agreement. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate, make on such date the transfer of such excess amount to such Guarantor's Offshore Proceeds Account for application in accordance with the applicable Guarantor Accounts Agreement.

One or more Reserve Account Letters of Credit may be maintained in lieu of depositing or maintaining required amounts in cash in any Offshore O&M Service Reserve Account. Upon receipt of any such Reserve Account Letter of Credit (other than in the case of any replacement or renewal of an existing Reserve Account Letter of Credit) and otherwise subject to the terms of the Guarantor Accounts Agreement, the Offshore Accounts Bank shall within three Business Days after receipt of confirmation from the Collateral Agent pursuant to the Guarantor Accounts Agreement that such Reserve Account Letter of Credit meets the applicable requirements for an Acceptable Letter of Credit, release monies, if any, on deposit in the applicable Offshore O&M Service Reserve Account in an amount equal to the stated amount of such Reserve Account Letter of Credit to, or at the written direction of, the relevant Guarantor. When any amount is specified hereunder as being required to be on deposit in any Offshore O&M Service Reserve Account on any date, such amount shall be calculated by adding (1) any monies on deposit in the applicable Offshore O&M Service Reserve Account on such date and (2) the undrawn amount then available under any Reserve Account Letter of Credit credited to such Offshore O&M Service Reserve Account on such date.

On the final Quarterly Payment Date with respect to the initial notes and the new notes, each Guarantor shall (a) to the extent the sum of the amounts in cash on deposit in, and the undrawn amounts then available under any Reserve Account Letters of Credit credited to, the Offshore Retention Account is less than the amount of the

Obligations under the notes due on such Quarterly Payment Date, draw (or shall cause any of its Affiliates to draw) an amount available under any Reserve Account Letter of Credit maintained in lieu of required amounts in cash in such Guarantor's Offshore O&M Service Reserve Account equal to the lesser of (i) the aggregate amount available under all such Reserve Account Letters of Credit or (ii) an amount equal to the Offshore O&M Service Reserve Account Required Balance in respect of such Guarantor's Offshore O&M Service Reserve Account on such Quarterly Payment Date less the amount of any cash on deposit in such Guarantor's Offshore O&M Service Reserve Account, for deposit in such Guarantor's Offshore O&M Service Reserve Account and (b) after giving effect to any drawings under any Reserve Account Letter of Credit pursuant to clause (a), if applicable, instruct (and, in the absence of such instruction, the Collateral Agent may instruct) the Offshore Accounts Bank to withdraw on such Quarterly Payment Date from such Guarantor's Offshore O&M Service Reserve Account, and transfer to the Note Debt Service Account, an amount equal to the lesser of (i) the aggregate amount of funds then on deposit in such Guarantor's Offshore O&M Service Reserve Account and (ii) an amount equal to the Offshore O&M Service Reserve Account Required Balance in respect of such Guarantor's Offshore O&M Service Reserve Account on such Quarterly Payment Date, for application towards the payment of the Obligations under the notes due on such Quarterly Payment Date. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate or instruction, subject to the terms of the Guarantor Accounts Agreement, make on such date the withdrawal and transfer of such amount to the Note Debt Service Account.

Offshore Debt Service Reserve Account

On or prior to the New Notes Issue Date, the Guarantors shall (or shall cause one or more of their Affiliates to) provide to the Offshore Accounts Bank cash (other than the net proceeds of the notes) or one or more Reserve Account Letters of Credit in the amount of the Offshore Debt Service Reserve Account Required Balance for credit to the Offshore Debt Service Reserve Account.

If there has not occurred a Charter Agreement Renewal Event with respect to any applicable Drilling Unit as of the date that is 30 days prior to the scheduled termination of the Charter Agreement and Services Agreement in respect of such Drilling Unit (any such date, the "Offshore Debt Service Reserve Account Increased Balance Trigger Date"), then on or prior to the Offshore Debt Service Reserve Account Increased Balance Trigger Date, the Guarantors shall (or shall cause one or more of their Affiliates to) provide to the Offshore Accounts Bank cash (other than the net proceeds of any of the notes) or one or more Reserve Account Letters of Credit in the amount of the Offshore Debt Service Reserve Account Required Balance applicable at such time for credit to the Offshore Debt Service Reserve Account.

If on any Quarterly Payment Date the amounts available in the Note Debt Service Account will be insufficient, following the transfers required pursuant to applicable Accounts Agreements, to pay in full the aggregate amount of the Obligations due on or after such Quarterly Payment Date, any Guarantor may request, in the relevant Quarterly Payment Date Certificate, that the Offshore Accounts Bank withdraw the amount of such insufficiency from the Offshore Debt Service Reserve Account (to the extent of funds available therein) and deliver such amount to the Note Debt Service Account (as such Guarantor shall specify in the relevant Quarterly Payment Date Certificate) for application as specified in the Guarantor Accounts Agreement.

Each Guarantor shall, in the Quarterly Payment Date Certificate for the Quarterly Payment Date, instruct (and, in the absence of such instruction, the Collateral Agent may instruct) the Offshore Accounts Bank to withdraw on such Quarterly Payment Date from the Offshore Debt Service Reserve Account the amount certified in the applicable Quarterly Payment Date Certificate as the amount required to be withdrawn therefrom pursuant to the terms of the Guarantor Accounts Agreement. The Offshore Accounts Bank then, to the extent such amount is available in the Offshore Debt Service Reserve Account, shall, in accordance with such Quarterly Payment Date Certificate or instruction, make on such date the withdrawal and transfer of such amount to the Notes Debt Service Account.

If, on any Quarterly Payment Date, the aggregate amount in the Offshore Debt Service Reserve Account exceeds the Offshore Debt Service Reserve Account Required Balance as of such Quarterly Payment Date, any Guarantor may request, in the Quarterly Payment Date Certificate relating to such Quarterly Payment Date, the transfer of such excess amount to any of the Offshore Proceeds Accounts on such Quarterly Payment Date. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate, make on such date the transfer of such excess amount to the applicable Offshore Proceeds Account for application in accordance with the Guarantor Accounts Agreement.

One or more Reserve Account Letters of Credit may be maintained in lieu of depositing or maintaining required amounts in cash in the Offshore Debt Service Reserve Account. Upon receipt of any such Reserve Account Letter of Credit (other than in the case of any replacement or renewal of an existing Reserve Account Letter of Credit) and otherwise subject to the terms of the Guarantor Accounts Agreement, the Offshore Accounts Bank shall within three Business Days after receipt of confirmation from the Collateral Agent pursuant to the Guarantor Accounts Agreement that such Reserve Account Letter of Credit meets the applicable requirements for an Acceptable Letter of Credit, release monies, if any, on deposit in the Offshore Debt Service Reserve Account in an amount equal to the stated amount of such Reserve Account Letter of Credit to, or at the written direction of, any Guarantor. When any amount is specified hereunder as being required to be on deposit in the Offshore Debt Service Reserve Account on any date, such amount shall be calculated by adding (1) any monies on deposit in the Offshore Debt Service Reserve Account on such date and (2) the undrawn amount then available under any Reserve Account Letter of Credit credited to the Offshore Debt Service Reserve Account on such date.

On the final Quarterly Payment Date with respect to the initial notes and the new notes, the Guarantors shall (a) to the extent the sum of the amounts in cash on deposit in, and the undrawn amounts then available under any Reserve Account Letters of Credit credited to, the Offshore Retention Account is less than the amount of the Obligations under the notes due on such Quarterly Payment Date, draw (or shall cause any of its Affiliates to draw) an amount available under any Reserve Account Letter of Credit maintained in lieu of required amounts in cash in the Offshore Debt Service Reserve Account equal to the lesser of (i) the aggregate amount available under all such Reserve Account Letters of Credit or (ii) an amount equal to the Offshore Debt Service Reserve Account Required Balance on such Quarterly Payment Date less the amount of any cash on deposit in the Offshore Debt Service Reserve Account, for deposit in the Offshore Debt Service Reserve Account and (b) after giving effect to any drawings under any Reserve Account Letter of Credit pursuant to clause (a), if applicable, instruct (and, in the absence of such instruction, the Collateral Agent may instruct) the Offshore Accounts Bank to withdraw on such Quarterly Payment Date from the Offshore Debt Service Reserve Account, and transfer to the Note Debt Service Account, an amount equal to the lesser of (i) the aggregate amount of funds then on deposit in the Offshore Debt Service Reserve Account and (ii) an amount equal to the Offshore Debt Service Reserve Account Required Balance on such Quarterly Payment Date, for application towards the payment of the Obligations under the notes due on such Quarterly Payment Date. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate or instruction, subject to the terms of the Guarantor Accounts Agreement, make on such date the withdrawal and transfer of such amount to the Note Debt Service Account.

Offshore Retention Account

On the final Quarterly Payment Date with respect to the initial notes and the new notes, the Guarantors shall (a) to the extent applicable, draw (or shall cause any of its Affiliates to draw) all amounts available under any Reserve Account Letter of Credit maintained in lieu of required amounts in cash in the Offshore Retention Account for deposit in the Offshore Retention Account and (b) after giving effect to any drawings under any Reserve Account Letter of Credit pursuant to clause (a), if applicable, instruct (and, in the absence of such instruction, the Collateral Agent may instruct) the Offshore Accounts Bank to withdraw on such Quarterly Payment Date from the Offshore Retention Account the full amount then available in the Offshore Retention Account and transfer such amount to the Note Debt Service Account, for application towards the payment of the Obligations under the notes due on such date. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate or instruction, subject to the terms of the Guarantor Accounts Agreement, make on such date the withdrawal and transfer of such amount to the Note Debt Service Account.

If, on any Quarterly Payment Date, the aggregate amount in the Offshore Retention Account exceeds the Offshore Retention Account Threshold Amount for such Quarterly Payment Date, any Guarantor may request, in the Quarterly Payment Date Certificate relating to such Quarterly Payment Date, the transfer of such excess amount to any Guarantor's Offshore Proceeds Accounts on such Quarterly Payment Date. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate, make on such date the transfer of such excess amount to the relevant Guarantor's Offshore Proceeds Account for application in accordance with the Guarantor Accounts Agreement.

One or more Reserve Account Letters of Credit may be maintained in lieu of depositing or maintaining required amounts in cash in the Offshore Retention Account. Upon receipt of any such Reserve Account Letter of Credit (other than in the case of any replacement or renewal of an existing Reserve Account Letter of Credit) and otherwise subject to the terms of the Guarantor Accounts Agreement, the Offshore Accounts Bank shall within three Business Days after receipt of confirmation from the Collateral Agent pursuant to the Guarantor Accounts Agreement that

such Reserve Account Letter of Credit meets the applicable requirements for an Acceptable Letter of Credit, release monies, if any, on deposit in the Offshore Retention Account to, or at the written direction of, the relevant Guarantor. When any amount is specified hereunder as being required to be on deposit in the Offshore Retention Account on any date, such amount shall be calculated by adding (1) any monies on deposit in the Offshore Retention Account on such date and (2) the undrawn amount then available under any Reserve Account Letter of Credit credited to the Offshore Retention Account on such date.

Offshore Loss Proceeds and Compensation Accounts

Subject to the provisions under "—Repurchase of Notes upon an Event of Loss," any Loss Proceeds with respect to any Guarantor's Drilling Units shall be deposited in such Guarantor's Offshore Loss Proceeds and Compensation Account for application in accordance with the indenture and the Guarantor Accounts Agreement.

Upon the deposit of Loss Proceeds in respect of a Drilling Unit into any Guarantor's Offshore Loss Proceeds and Compensation Account, such Guarantor shall deliver to the Offshore Accounts Bank a certificate of an Authorized Officer of such Guarantor (with copy to the Trustee and the Collateral Agent) setting forth (1) the source of such Loss Proceeds, (2) the reasonable out-of-pocket costs incurred or reasonably expected to be incurred in connection with the applicable Event of Loss or the collection thereof, including fees, expenses and commissions with respect to legal, accounting, financial advisory, brokerage and other professional services provided in connection with such Event of Loss or incurred in connection with the collection thereof, and (3) whether the Net Available Amount of such Loss Proceeds is required to be applied to Restore the relevant Affected Property or to consummate an Excess Loss Offer, in each case, in accordance with the terms of the indenture. If requested by the relevant Guarantor, the Offshore Accounts Bank shall after having received such certificate transfer the amount representing such reasonable out-of-pocket costs referred to in clause (2) of the preceding sentence directly to the Onshore Accounts Bank, which shall convert such amount into Reais in accordance with the currency conversion procedures set forth in the Guarantor Accounts Agreement and thereafter deposit such Reais into the Onshore Proceeds and Service Account pursuant to the Guarantor Accounts Agreement.

Before any withdrawal and transfer shall be made from any Offshore Loss Proceeds and Compensation Account on a Requisition Date, there shall be filed with the Offshore Accounts Bank (with a copy to the Collateral Agent) at least eight Business Days prior to such Requisition Date a Restoration Requisition or a Reimbursement Requisition, as applicable, dated the date of such filing, signed by an Authorized Officer of the relevant Guarantor, together with the certificates and other items required to be attached thereto in accordance with the Guarantor Accounts Agreement and the indenture, including, without limitation, the written confirmation by the Independent Engineer that the relevant Affected Property is capable of Restoration and the certificate of an Authorized Officer of the Guarantor referred to under "—Repurchase of Notes upon an Event of Loss."

On any Requisition Date referred to in the previous paragraph, the Offshore Accounts Bank shall withdraw and transfer from the relevant Offshore Loss Proceeds and Compensation Account and shall remit to or upon the order of the relevant Guarantor the amount set forth in the relevant Restoration Requisition or Reimbursement Requisition, as the case may be, and thereafter such Guarantor shall remit or cause to be remitted to the applicable payees any amounts so transferred in accordance with such Restoration Requisition or Reimbursement Requisition, as the case may be.

Upon completion of any Restoration Work, there shall be filed with the Collateral Agent (1) a certificate of an Authorized Officer of the Guarantor that is the owner of the applicable Drilling Unit certifying the completion of the Restoration of the Affected Property and the amount, if any, required in the opinion of such Guarantor to reimburse the Sponsor or any of its Affiliates for the costs of such Restoration and/or to be retained in such Guarantor's Offshore Loss Proceeds and Compensation Account for the payment of any remaining costs of Restoration not then due and payable or the liability for payment of which is being contested or disputed by such Guarantor and for the payment of reasonable contingencies following completion of the Restoration and (2) if the Net Available Amount of Loss Proceeds initially deposited in any Guarantor's Offshore Loss Proceeds and Compensation Account in respect of such Event of Loss exceeded U.S.$50.0 million, written confirmation from the Independent Engineer stating that completion of the Restoration of the Affected Property has occurred and concurring with the amounts to be retained in the applicable Offshore Loss Proceeds and Compensation Account.

When accumulated Excess Loss Proceeds on deposit in any Guarantor's Offshore Loss Proceeds and Compensation Account equals or exceeds U.S.$50.0 million, such Guarantor shall instruct the Offshore Accounts Bank to withdraw and transfer from such Offshore Loss Proceeds and Compensation Account the full amount of

such Excess Loss Proceeds to the Note Prepayment Account, to be applied by the Issuer in connection with an Excess Loss Offer pursuant to the terms of the indenture. See "—Repurchase of Notes upon an Event of Loss."

Offshore Disposition Proceeds Accounts

Subject to the provisions under "—Repurchase of Notes upon a Disposition," all Gross Disposition Proceeds with respect to any Disposition by any Guarantor in respect of any Drilling Unit shall be deposited in such Guarantor's Offshore Disposition Proceeds Account for application in accordance with the indenture and the Guarantor Accounts Agreement.

Upon the deposit of the Gross Disposition Proceeds from any Disposition in respect of a Drilling Unit by any Guarantor into such Guarantor's Offshore Disposition Proceeds Account, such Guarantor shall deliver to the Offshore Accounts Bank a certificate of an Authorized Officer of such Guarantor (with copy to the Trustee and the Collateral Agent) setting forth (1) the source of such Gross Disposition Proceeds, (2) the reasonable out-of-pocket costs incurred or reasonably expected to be incurred in connection with the applicable Disposition, including fees, expenses and commissions with respect to legal, accounting, financial advisory, brokerage and other professional services provided in connection with such Disposition, and (3) whether the Net Disposition Proceeds from the applicable Disposition are required to be applied to purchase Replacement Assets or to consummate an Excess Disposition Offer, in each case, in accordance with the terms of the indenture. If requested by the relevant Guarantor, the Offshore Accounts Bank shall after having received such certificate transfer the amount representing such reasonable out-of-pocket costs referred to in clause (2) of the preceding sentence directly to the Onshore Accounts Bank, which shall convert such amount into Reais in accordance with the currency conversion procedures set forth in the Guarantor Accounts Agreement and thereafter deposit such Reais into the Onshore Proceeds and Service Account pursuant to the Guarantor Accounts Agreement.

Before any withdrawal and transfer shall be made from any Guarantor's Offshore Disposition Proceeds Account on a Requisition Date, there shall be filed with the Offshore Accounts Bank (with a copy to the Collateral Agent) at least eight Business Days prior to such Requisition Date a Replacement Asset Purchase Requisition dated the date of such filing, signed by an Authorized Officer of the relevant Guarantor, together with the certificates and other items required to be attached thereto in accordance with the Guarantor Accounts Agreement.

On any Requisition Date referred to in the previous paragraph, the Offshore Accounts Bank shall withdraw and transfer from the relevant Offshore Disposition Proceeds Account and shall remit to or upon the order of the applicable Guarantor the amount set forth in the relevant Replacement Asset Purchase Requisition, and thereafter such Guarantor shall remit or cause to be remitted to the applicable payees any amounts so transferred in accordance with such Replacement Asset Purchase Requisition.

When accumulated Excess Disposition Proceeds on deposit in any Guarantor's Offshore Disposition Proceeds Account equals or exceeds U.S.$50.0 million, the relevant Guarantor shall instruct the Offshore Accounts Bank to withdraw and transfer from such Guarantor's Offshore Disposition Proceeds Account the full amount of such Excess Disposition Proceeds to the Note Prepayment Account, to be applied by the Issuer to consummate an Excess Disposition Offer pursuant to the terms of the indenture. See "—Repurchase of Notes upon a Disposition."

Notwithstanding the foregoing, if on any Quarterly Payment Date the transfer of funds from the Note Debt Service Account (after first giving effect to any transfer from the Guarantor Collateral Accounts to the Note Debt Service Account pursuant to the Guarantor Accounts Agreements) is insufficient to pay the Obligations under the notes due on such Quarterly Payment Date, upon receipt of a request therefor by the relevant Guarantor or the Collateral Agent, the Offshore Accounts Bank shall withdraw and transfer from the relevant Offshore Disposition Proceeds Account and shall transfer to the Note Debt Service Account the amount set forth in the relevant request, which shall be equal to the unpaid balance of the Obligations due on such Quarterly Payment Date or, if the funds on deposit in the relevant Offshore Disposition Proceeds Account are less than such balance, the full amount of funds on deposit in the relevant Offshore Disposition Proceeds Account.

Offshore Sinking Fund Account

If on any Quarterly Payment Date the amounts available in the Note Debt Service Account will be insufficient, following the transfers required pursuant to applicable Accounts Agreements, to pay in full the aggregate amount of the Obligations due on or after such Quarterly Payment Date, any Guarantor may request, in the relevant Quarterly Payment Date Certificate, that the Offshore Accounts Bank withdraw the amount of such insufficiency from the Offshore Sinking Funds Account (to the extent of funds available therein) and deliver such amount to the Note Debt

Service Account (as such Guarantor shall specify in the relevant Quarterly Payment Date Certificate) for application as specified in the Guarantor Accounts Agreement.

If, on any Quarterly Payment Date after September 1, 2016, (1) a Charter Agreement Renewal Event in respect of each of the applicable Drilling Units has occurred prior to such Quarterly Payment Date (as notified in writing by the applicable Guarantor to the Trustee and the Collateral Agent) and (2) the aggregate amount of funds on deposit in the Offshore Debt Service Reserve Account equals or exceeds the applicable Offshore Debt Service Reserve Account Required Balance as of such date, any Guarantor may request, in the Quarterly Payment Date Certificate relating to such Quarterly Payment Date, the transfer of all amounts on deposit in the Offshore Sinking Fund Account on such Quarterly Payment Date to any Guarantor's Offshore Proceeds Account. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate, make on such date the transfer of such amounts to the relevant Guarantor's Offshore Proceeds Account for application in accordance with the Guarantor Accounts Agreement.

Offshore Charter Termination Account

If on any Quarterly Payment Date the amounts available in the Note Debt Service Account will be insufficient, following the transfers required pursuant to applicable Accounts Agreements, to pay in full the aggregate amount of the Obligations due on or after such Quarterly Payment Date, any Guarantor may request, in the relevant Quarterly Payment Date Certificate, that the Offshore Accounts Bank withdraw the amount of such insufficiency from the Offshore Charter Termination Account (to the extent of funds available therein) and deliver such amount to the Note Debt Service Account (as such Guarantor shall specify in the relevant Quarterly Payment Date Certificate) for application as specified in the Guarantor Accounts Agreement.

One or more Reserve Account Letters of Credit may be maintained in lieu of depositing or maintaining required amounts in cash in the Offshore Charter Termination Account. Upon receipt of any such Reserve Account Letter of Credit (other than in the case of any replacement or renewal of an existing Reserve Account Letter of Credit) and otherwise subject to the terms of the Guarantor Accounts Agreement, the Offshore Accounts Bank shall within three Business Days after receipt of confirmation from the Collateral Agent pursuant to the Guarantor Accounts Agreement that such Reserve Account Letter of Credit meets the applicable requirements for an Acceptable Letter of Credit, release monies, if any, on deposit in the Offshore Charter Termination Account in an amount equal to the stated amount of such Reserve Account Letter of Credit to, or at the written direction of, the relevant Guarantor. When any amount is specified hereunder as being required to be on deposit in the Offshore Charter Termination Account on any date, such amount shall be calculated by adding (1) any monies on deposit in the Offshore Charter Termination Account on such date and (2) the undrawn amount then available under any Reserve Account Letter of Credit credited to the Offshore Charter Termination Account on such date.

If a Charter Agreement Renewal Event in respect of an applicable Drilling Unit has occurred prior to any Quarterly Payment Date (as notified in writing by any Guarantor to the Trustee and the Collateral Agent), the Guarantor that is the owner of such Drilling Unit may request, in the Quarterly Payment Date Certificate relating to such Quarterly Payment Date, (1) that any Reserve Account Letters of Credit maintained in lieu of required amounts in cash in the Offshore Charter Termination Account be promptly terminated and delivered to such Guarantor (it being understood that upon receipt of such instruction, neither the Offshore Accounts Bank nor the Collateral Agent shall make any drawings under such Reserve Account Letter of Credit) and (2) to the extent applicable, the transfer of any amounts deposited in the Offshore Charter Termination Account pursuant to the fifth paragraph under "— Offshore Distribution Holding Account" as a result of the non-occurrence of a Charter Agreement Renewal Event in respect of such Drilling Unit to any Guarantor's Offshore Proceeds Accounts on such Quarterly Payment Date. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate, make on such date the transfer of such amount to the relevant Offshore Proceeds Account for application in accordance with the Guarantor Accounts Agreement.

Norbe VI Offshore Penalty Reserve Account

Before any withdrawal and transfer shall be made from the Norbe VI Offshore Penalty Reserve Account on a Requisition Date, there shall be filed with the Offshore Accounts Bank (with a copy to the Collateral Agent) at least five Business Days prior to such Requisition Date a Penalty Transfer Requisition dated the date of such filing, signed by an Authorized Officer of ODN Six, together with the certificates and other items required to be attached thereto in accordance with the Guarantor Accounts Agreement, which shall include, (x) for any Penalty Transfer Requisition relating to a transfer to be made to Petrobras pursuant to the paragraph immediately below to pay any

Delay Penalties, a copy of the relevant correspondence from Petrobras or a certificate of an Authorized Officer of the Issuer stating the amount of such Delay Penalties and confirming that Petrobras has demanded the payment of such Delay Penalties in cash and (y) for any Penalty Transfer Requisition relating to a transfer to be made to ODN Six's Offshore Proceeds Account pursuant to the paragraph immediately below, a copy of the relevant correspondence from Petrobras stating that all Delay Penalties have been paid in full (including due to any arrangements to offset such Delay Penalties against improvements made to the Norbe VI Drilling Rig).

On any Requisition Date referred to in the previous paragraph, the Offshore Accounts Bank shall withdraw and transfer from the Norbe VI Offshore Penalty Reserve Account (x) if Petrobras demands the payment of any Delay Penalties in cash (as evidenced by a copy of correspondence from Petrobras or a certificate of an Authorized Officer of ODN Six to be delivered to the Offshore Accounts Bank together with the applicable Penalty Transfer Requisition), the amount set forth in the relevant Penalty Transfer Requisition to Petrobras in accordance with the applicable Penalty Transfer Requisition or (y) if the Delay Penalties have been paid in full (including due to any arrangements to offset such Delay Penalties against improvements made to the Norbe VI Drilling Rig, as evidenced by a copy of the relevant correspondence from Petrobras to such effect to be delivered to the Offshore Accounts Bank together with the applicable Penalty Transfer Requisition), all of the amounts on deposit in the Norbe VI Offshore Penalty Reserve Account to the Offshore Proceeds Accounts held by ODN Six in accordance with the applicable Penalty Transfer Requisition.

If, on any Quarterly Payment Date, the aggregate amount in the Norbe VI Offshore Penalty Reserve Account exceeds the Norbe VI Offshore Penalty Reserve Account Required Balance, ODN Six may request, in the Quarterly Payment Date Certificate relating to such Quarterly Payment Date, the transfer of such excess on such Quarterly Payment Date to its Offshore Proceeds Account. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate, make on such date the transfer of such excess amount to ODN Six's Offshore Proceeds Account for application in accordance with the Guarantor Accounts Agreement.

One or more Reserve Account Letters of Credit may be maintained in lieu of depositing or maintaining required amounts in cash in the Norbe VI Offshore Penalty Reserve Account. Upon receipt of any such Reserve Account Letter of Credit (other than in the case of any replacement or renewal of an existing Reserve Account Letter of Credit) and otherwise subject to the terms of the Guarantor Accounts Agreement, the Offshore Accounts Bank shall within three Business Days after receipt of confirmation from the Collateral Agent pursuant to the Guarantor Accounts Agreement that such Reserve Account Letter of Credit meets the applicable requirements for an Acceptable Letter of Credit, release monies, if any, on deposit in the Norbe VI Offshore Penalty Reserve Account in an amount equal to the stated amount of such Reserve Account Letter of Credit to, or at the written direction of, ODN Six. When any amount is specified hereunder as being required to be on deposit in the Norbe VI Offshore Penalty Reserve Account on any date, such amount shall be calculated by adding (1) any monies on deposit in the Norbe VI Offshore Penalty Reserve Account on such date and (2) the undrawn amount then available under any Reserve Account Letter of Credit credited to the Norbe VI Offshore Penalty Reserve Account on such date.

Since the Initial Notes Issue Date, all funds on deposit in the Norbe VI Offshore Penalty Reserve Account have been released in accordance with the provisions of the Guarantor Accounts Agreement.

Offshore Distribution Holding Accounts

If on any Quarterly Payment Date, the Combined Historical Debt Service Coverage Ratio (1) calculated on the four consecutive Quarterly Dates immediately preceding such Quarterly Payment Date, in each case for the 12-month period ending on each such Quarterly Date, is less than 1.10, or (2) calculated on the eight consecutive Quarterly Dates immediately preceding such Quarterly Payment Date, in each case for the 12-month period ending on each such Quarterly Date, is less than 1.15 (such Quarterly Payment Date hereinafter referred to as the "Initial Retention Date"), then each Guarantor shall promptly provide a certificate of an Authorized Officer of such Guarantor to the Offshore Accounts Bank (with a copy to the Trustee and the Collateral Agent), and the Offshore Accounts Bank shall promptly, upon receipt of any such certificate (and if any Guarantor fails to provide any such certificate, the Collateral Agent shall instruct the Offshore Accounts Bank to), transfer 50% of all funds on deposit in such Guarantor's Offshore Distribution Holding Account on such Initial Retention Date and from time to time thereafter (after giving effect to any transfers required from such Offshore Distribution Holding Account pursuant to the provisions under "—Offshore Proceeds Accounts—Application of Proceeds on deposit in the Offshore Proceeds Accounts in case of Deficiencies") to the Offshore Retention Account in accordance with the Guarantor Accounts Agreement, until such time that the Combined Historical Debt Service Coverage Ratio is on any Quarterly Date, for the 12-month period ending on such Quarterly Date, greater than 1.15.

If on any Quarterly Payment Date following the Initial Retention Date, the Combined Historical Debt Service Coverage Ratio (1) calculated on four consecutive Quarterly Dates following the Initial Retention Date, in each case for the 12-month period ending on each such Quarterly Date, is less than 1.10, or (2) calculated on the eight consecutive Quarterly Dates following the Initial Retention Date, in each case for the 12-month period ending on each such Quarterly Date, is less than 1.15, then each Guarantor shall promptly provide a certificate of an Authorized Officer of such Guarantor to the Offshore Accounts Bank (with a copy to the Trustee and the Collateral Agent), and the Offshore Accounts Bank shall promptly, upon receipt of any such certificate (and if any Guarantor fails to provide any such certificate, the Collateral Agent shall instruct the Offshore Accounts Bank to), transfer all funds on deposit in such Guarantor's Offshore Distribution Holding Account on such date and from time to time thereafter (after giving effect to any transfers required from such Offshore Distribution Holding Account pursuant to the provisions under "—Offshore Proceeds Accounts—Application of Proceeds on deposit in the Offshore Proceeds Accounts in case of Deficiencies") to the Offshore Retention Account in accordance with the Guarantor Accounts Agreement, until such time that the Combined Historical Debt Service Coverage Ratio is on any Quarterly Date, for the 12-month period ending on such Quarterly Date, greater than 1.15.

On or before the first day of the Retention Period, each Guarantor shall promptly provide a certificate of an Authorized Officer of such Guarantor to the Offshore Accounts Bank (with a copy to the Trustee and the Collateral Agent), and the Offshore Accounts Bank shall promptly, upon receipt of any such certificate (and if any Guarantor fails to provide any such certificate, the Collateral Agent shall instruct the Offshore Accounts Bank to), transfer all funds on deposit from time to time in such Guarantor's Offshore Distribution Holding Account (after giving effect to any transfers required from the Offshore Distribution Holding Account pursuant to the provisions under "—Offshore Proceeds Accounts—Application of Proceeds on deposit in the Offshore Proceeds Accounts in case of Deficiencies") during the Retention Period to the Offshore Retention Account in accordance with the Guarantor Accounts Agreement.

If on any Quarterly Payment Date, as a result of the transfers to the Offshore Retention Account (if any) described in the preceding three paragraphs, the aggregate amount of such transfers exceeds the Offshore Retention Account Threshold Amount, each Guarantor may request, in the Quarterly Payment Date Certificate relating to any of such Quarterly Payment Dates, the transfer of such excess amount to such Guarantor's Offshore Proceeds Account on such Quarterly Payment Date. The Offshore Accounts Bank then shall, in accordance with such Quarterly Payment Date Certificate, make on such date the transfer of such excess amount to the relevant Guarantor's Offshore Proceeds Account for application in accordance with the Guarantor Accounts Agreement.

If (1) a Charter Agreement Renewal Event in respect of the Norbe VI Charter Agreement and the Norbe VI Services Agreement does not occur on or before the Quarterly Payment Date occurring on September 1, 2016, or (2) a Charter Agreement Renewal Event in respect of an Acceptable Charter Arrangement entered into with respect to an Eligible Asset in connection with the issuance of Additional Notes, the scheduled termination date for which is before the final scheduled maturity date of the notes, does not occur on or before the date that is 12 months before the scheduled termination date of such Acceptable Charter Arrangement, then each Guarantor shall promptly notify the Trustee and the Collateral Agent in writing of any such event and each Guarantor shall promptly provide a certificate of an Authorized Officer of such Guarantor to the Offshore Accounts Bank (with a copy to the Trustee and the Collateral Agent), and the Offshore Accounts Bank shall promptly, upon receipt of any such certificate (and if any Guarantor fails to provide any such certificate, the Collateral Agent shall instruct the Offshore Accounts Bank to), (A) upon the occurrence of the event described in clause (1), after giving effect to any transfers from the Guarantor Collateral Accounts pursuant to the Quarterly Payment Date Certificates delivered to the Offshore Accounts Bank with respect to the Quarterly Payment Date occurring on September 1, 2016, and (B) upon the occurrence of any event described in clause (2), transfer all funds then on deposit in such Guarantor's Offshore Distribution Holding Account and from time to time thereafter (after giving effect to any transfers required from such Offshore Distribution Holding Account pursuant to the provisions under "—Offshore Proceeds Accounts—Application of Proceeds on deposit in the Offshore Proceeds Accounts in case of Deficiencies") to the Offshore Charter Termination Account in accordance with the Guarantor Accounts Agreement, until such time that a Charter Agreement Renewal Event in respect of each of the applicable Drilling Units occurs (as notified in writing to the Trustee and the Collateral Agent by any Guarantor).

On any Quarterly Payment Date, after giving effect to any transfers required under the preceding paragraphs, the Offshore Accounts Bank shall withdraw from any Guarantor's Offshore Distribution Holding Account and transfer to the Guarantor O&M Service Account relating to such Guarantor's Drilling Unit(s) the amounts set forth in the Quarterly Payment Date Certificate relating to the Quarterly Payment Date immediately prior to such Quarterly Payment Date and certified therein to be the amount necessary to pay (1) the amount of Operation and

Maintenance Expenses as of such Quarterly Payment Date in excess of amounts previously made available for payment of such Operation and Maintenance Expenses under "—Offshore Proceeds Accounts—Application of Proceeds on deposit in the Offshore Proceeds Accounts" and "—Onshore Proceeds and Service Account" and/or (2) the amount required to purchase any Replacement Asset as of such Quarterly Payment Date in excess of the Net Disposition Proceeds available for the purchase of the applicable Replacement Asset under "—Repurchase of Notes upon a Disposition" and "—Offshore Disposition Proceeds Accounts."

On any Distribution Date, after giving effect to any transfers required above under the preceding paragraphs and under "—Offshore Proceeds Accounts," the Offshore Accounts Bank shall transfer from each Guarantor's Offshore Distribution Holding Account to such Guarantor's Offshore Distribution Account such amounts (to the extent available) in the relevant Guarantor's Offshore Distribution Holding Account as such Guarantor may specify in the Quarterly Payment Date Certificate relating to the Quarterly Payment Date immediately prior to such Distribution Date, for application at any time thereafter for any lawful purpose as directed by such Guarantor; provided, however, that, no transfer of monies to any Guarantor's Offshore Distribution Account shall be made pursuant to this paragraph on any Distribution Date unless (i) in the applicable Quarterly Payment Date Certificate, the applicable Guarantor shall have certified that the Distribution Release Conditions have been satisfied with respect to such Distribution Date, (ii) the Offshore Accounts Bank shall have received a Distribution Confirmation executed by the applicable Guarantor with respect to such transfer and (iii) the Offshore Accounts Bank shall not have received prior to such Distribution Date a written rescission by the applicable Guarantor of such Distribution Confirmation.

Offshore Distribution Accounts

Each Guarantor shall establish, in its own name, with the Offshore Accounts Bank, at its offices in London, its Offshore Distribution Account, which shall be denominated in Dollars and maintained by the Offshore Accounts Bank at all times until the final maturity date of the notes. Each Guarantor shall have exclusive control over and exclusive right of withdrawal from its Offshore Distribution Account and such account and any amount standing to the credit thereof from time to time will not be pledged, hypothecated, transferred, assigned, granted or subject to any flawed asset arrangement in any way whatsoever under the Financing Documents to or in favor of the Secured Parties.

Guarantor O&M Service Accounts

On or prior to the New Notes Issue Date, pursuant to the terms of the Guarantor Accounts Agreement (as amended by the ODN Tay IV Joinder Agreement), (1) ODN I GmbH will have established, in its own name, the Dollar-Denominated ODN I and ODN II Guarantor O&M Service Account and the Euro-Denominated ODN I and ODN II Guarantor O&M Service Account (collectively, the "ODN I and ODN II Guarantor O&M Service Accounts"), (2) ODN Six will have established, in its own name, the Dollar-Denominated Norbe VI Guarantor O&M Service Account and the Euro-Denominated Norbe VI Guarantor O&M Service Account (collectively, the "Norbe VI Guarantor O&M Service Accounts") and (3) ODN Tay IV GmbH will have established, in its own name, the Dollar-Denominated ODN Tay IV Guarantor O&M Service Account and the Euro-Denominated ODN Tay IV Guarantor O&M Service Account (collectively, the "ODN Tay IV Guarantor O&M Service Accounts," and together with the ODN I and ODN II Guarantor O&M Service Accounts and the Norbe VI Guarantor O&M Service Accounts, collectively, the "Guarantor O&M Service Accounts"), at such bank as such Guarantor shall notify to the Collateral Agent, the Offshore Accounts Bank and the Onshore Accounts Bank in writing, which shall be denominated in Dollars and Euros, as the case may be, as notified in writing to the Collateral Agent, the Offshore Accounts Bank and the Onshore Accounts Bank, and maintained by each Guarantor at such bank (or at such other bank as such Guarantor may notify to the Collateral Agent, the Offshore Accounts Bank and the Onshore Accounts Bank in writing from time to time) at all times until the date on which all Obligations have been paid in full. The details of the Guarantor O&M Service Accounts, including the account numbers, shall be provided to the Collateral Agent, the Offshore Accounts Bank and the Onshore Accounts Bank in writing prior to the New Notes Issue Date. The Guarantor O&M Service Accounts and any amount standing to the credit thereof from time to time will not be pledged, hypothecated, transferred, assigned, granted or subject to any flawed asset arrangement in any way whatsoever under the Financing Documents to or in favor of the Secured Parties.

All funds from time to time on deposit in any Guarantor O&M Service Accounts shall be available to the relevant Guarantor at any time to be applied as determined by such Guarantor solely for the payment when due of the applicable Operation and Maintenance Expenses.

Operator's Accounts

Onshore Proceeds and Service Account

Pursuant to the terms of the Guarantor Accounts Agreement, the Operator has established with the Onshore Accounts Bank, at its offices in Sao Paulo, Brazil, the Onshore Proceeds and Service Account, which is a segregated and irrevocable cash collateral account denominated in Reais.

All Onshore Project Receipts shall be deposited into the Onshore Proceeds and Service Account directly, or if received by the Operator, the Onshore Accounts Bank or any other Person, as soon as practicable upon receipt, in each case for application in accordance with the Guarantor Accounts Agreement.

Not less than 10 Business Days prior to each Monthly Transfer Date, each Guarantor and the Operator shall deliver a Monthly Transfer Date Certificate for such Monthly Transfer Date to the Offshore Accounts Bank and the Onshore Accounts Bank (with a copy to the Collateral Agent and the Trustee). Subject to the Guarantor Accounts Agreement, following its receipt of a Monthly Transfer Date Certificate in accordance with the preceding sentence, on the relevant Monthly Transfer Date, the Onshore Accounts Bank shall, in accordance with such Monthly Transfer Date Certificate, withdraw and transfer to the OOG O&M Service Account the amount certified in the Monthly Transfer Date Certificate to be the OOG O&M Reais Transfer Amount relating to the relevant Guarantor's Drilling Unit(s) for such Monthly Transfer Date, to the extent such amounts are then available in the Onshore Proceeds and Service Account.

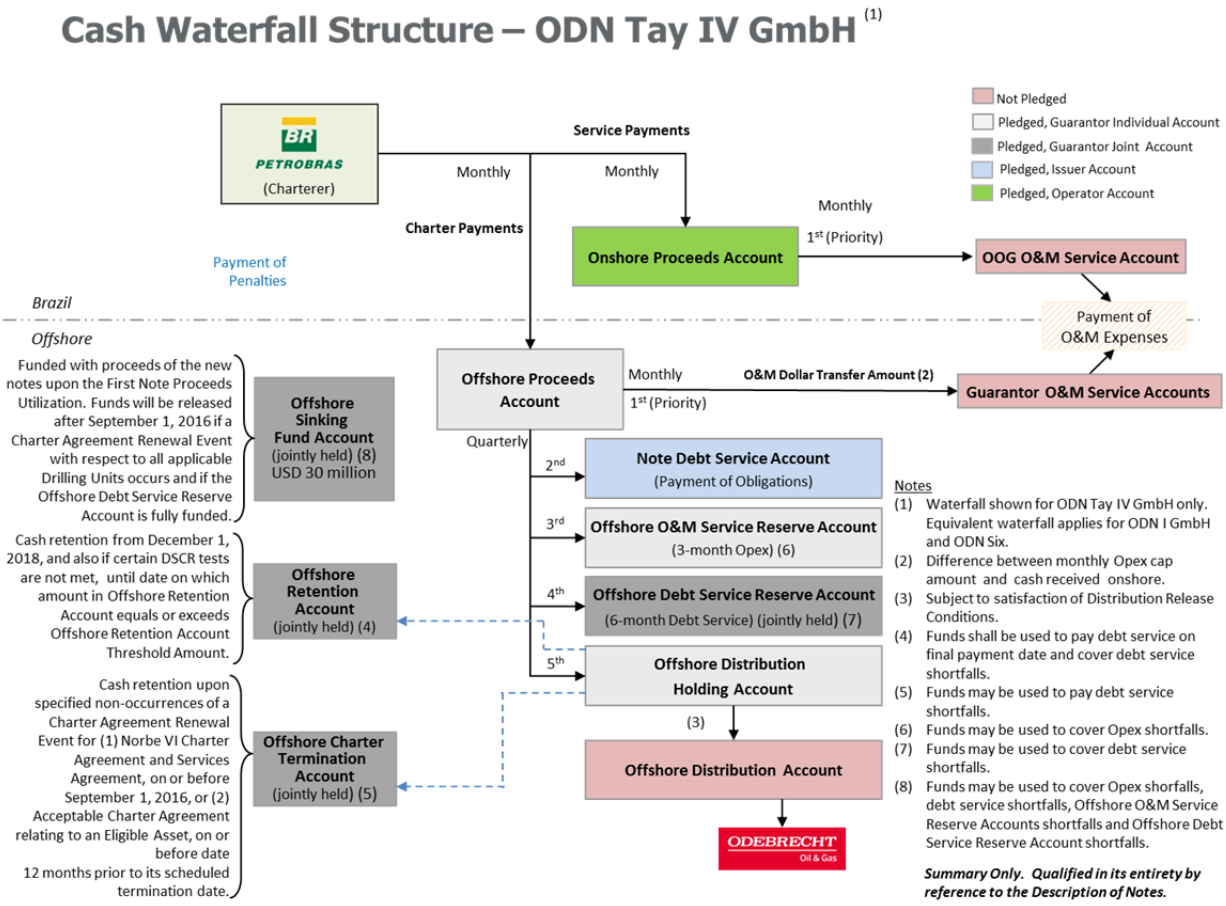
OOG O&M Service Account

Pursuant to the terms of the Guarantor Accounts Agreement, the Operator has established, in its own name, the OOG O&M Service Account at such bank as the Operator shall notify to the Collateral Agent, the Offshore Accounts Bank and the Onshore Accounts Bank in writing, which shall be denominated in Reais and maintained by the Operator at such bank (or at such other bank as the Operator may notify to the Collateral Agent, the Offshore Accounts Bank and the Onshore Accounts Bank in writing from time to time) at all times until the date on which all Obligations have been paid in full. The details of the OOG O&M Service Account, including the account number, shall have been provided to the Collateral Agent, the Offshore Accounts Bank and the Onshore Accounts Bank in writing on or prior to the New Notes Issue Date. The OOG O&M Service Account and any amount standing to the credit thereof from time to time will not be pledged, hypothecated, transferred, assigned, granted or subject to any flawed asset arrangement in any way whatsoever under the Financing Documents to or in favor of the Secured Parties.

All funds from time to time on deposit in the OOG O&M Service Account shall be available to the Operator at any time to be applied as determined by the Operator solely for the payment when due of the applicable Operation and Maintenance Expenses.

Accounts/Funds Flow

Set forth below is a diagram that depicts the application of payments under the Charter Agreements and the various accounts related thereto during the operational period of the Facilities.



Collateral

Security Documents

The notes will be secured by all of the Issuer's assets, including, without limitation, (1) the Intercompany Credit Documents pursuant to the Issuer Offshore Security Agreements (see "Description of Principal Financing Documents—Security Documents—Issuer Offshore Security Agreement" and "Description of Principal Financing Documents—Security Documents—ODN Tay IV Issuer Offshore Security Agreement") and (2) the Note Proceeds Account, the Note Debt Service Account and the Note Prepayment Account (including any funds deposited therein and any proceeds thereof) pursuant to the terms of the Issuer Accounts Agreement and the Initial Notes Issuer Offshore Security Agreement. The notes will also be secured by all of the Equity Interests in the Issuer pursuant to a Charge over Shares between each of the Guarantors and the Collateral Agent (collectively, the "Issuer Share Pledge Agreements") (see "Description of Principal Financing Documents—Security Documents—Issuer Share Pledge Agreements").

Pursuant to the Security Documents to be entered into by the Guarantors and certain of the other Project Parties (other than the Issuer) in favor, or for the benefit, of the Collateral Agent, the Note Guarantees and all other Obligations of the Guarantors under the indenture will be secured by a security interest in the Equity Interests of the Guarantors and substantially all of the assets of the Guarantors (other than, in the case of ODN Six, the Equity Interests in, and the assets of, Odebrecht Drilling Services LLC) and certain of the assets of such other Project Parties to the extent provided in the Security Documents. These Security Documents will include the following agreements and instruments:

- Guarantor Offshore Security Agreements;
- Guarantor Accounts Agreement;
- Onshore Security Agreements;

- Pledge Agreements;
- Mortgages; and
- Conditional Assignments of Contract.

The Secured Parties will also benefit from customary assignments of insurance policies, payment instructions and consents to assignments (including the consents from Petrobras to the creation of security interests over the Project Documents), to the extent required by the Security Documents. For a description of these Security Documents, see "Description of Principal Financing Documents—Security Documents."

Certain security interests in the ODN Tay IV Collateral will not be in place on the New Notes Issue Date or will not be perfected on the New Notes Issue Date pending the release of ODN Tay IV GmbH from all of the ODN Tay IV Existing Project Finance Obligations and the release of the security interests in the ODN Tay IV Existing Project Finance Collateral. The Project Parties will, however, ensure that all security interests in the ODN Tay IV Collateral are duly created and enforceable and perfected, to the extent required by the Security Documents, not later than the ODN Tay IV Note Proceeds Account Threshold Date. As a result, under certain circumstances, the note holders may not have the ability to foreclose, or control decisions in respect of, a portion or all of the Collateral until such time as an enforceable and perfected first priority security interest has been created in the Collateral. See "Risk Factors—Risks Relating to the New Notes and the Note Guarantees—After the application of a portion of the proceeds of this offering to cause ODN Tay IV GmbH to be released from the ODN Tay IV Existing Project Finance Obligations and before the creation and perfection of a first priority security interest in the ODN Tay IV Collateral, the obligations under the new notes and the Note Guarantees may not be fully secured."

Release of Liens

The Liens on the Collateral that secures the notes will be released:

(1) upon discharge or defeasance of the notes, as described under the captions "—Satisfaction and Discharge" and "—Defeasance and Discharge;"

(2) with the consent of the note holders of the requisite percentage of notes in accordance with the provisions described below under the caption "—Amendments and Waivers;" and

(3) in connection with any disposition of Property permitted under the indenture.

Certain Bankruptcy and Other Collateral Limitations

The ability of the Secured Parties to realize upon the Collateral may be subject to certain Bankruptcy Law limitations in the event of a bankruptcy. See "Risk Factors—Risks Relating to the New Notes and the Note Guarantees— Rights of holders of new notes in the Collateral may be materially adversely affected by bankruptcy proceedings." The ability of the Secured Parties to foreclose on the Collateral may be subject to lack of perfection, the requirement of third party consents, prior Liens and practical problems associated with the realization of the Collateral Agent's Lien on the Collateral that secures the notes and the Note Guarantees. See "Risk Factors—Risks Relating to the New Notes and the Note Guarantees—Because none of the Issuer and the Project Companies is incorporated under the laws of the United States, you may face difficulties in protecting your interests, and your ability to protect your rights through the U.S. federal courts may be limited."

So long as no Event of Default shall have occurred and be continuing, and subject to certain terms and conditions in the indenture and the Security Documents, the Project Parties will be entitled to exercise any voting, consensual rights and other rights pertaining to such Collateral pledged by it. Upon the occurrence and during the continuance of an Event of Default, upon prior written notice and demand from the Collateral Agent, (a) all rights of the Project Parties to exercise such voting, consensual rights, or other rights shall cease and all such rights shall become vested in the Collateral Agent, which, to the extent permitted by applicable Law, shall have the sole right to exercise such voting, consensual rights or other rights, (b) all rights of the Project Parties to receive cash dividends, interest and other payments made upon or with respect to the Collateral shall cease, and such cash dividends, interest and other payments shall be paid to the Collateral Agent, for the benefit of the Secured Parties and (c) the Collateral Agent may sell the Collateral or any part thereof in accordance with, and subject to the terms of, the Security Documents. All funds distributed in respect of the Collateral under the Security Documents and received by the

Collateral Agent for the ratable benefit of the Secured Parties shall be turned over to the Trustee to be distributed by it in accordance with the provisions of the indenture.

There can be no assurance that the proceeds from the sale of the Collateral remaining after the satisfaction of all Obligations owing to any other Person would be sufficient to satisfy the obligations owed to the note holders.

To the extent third parties hold Permitted Liens, such third parties may have rights and remedies with respect to the property subject to such Liens that, if exercised, could adversely affect the value of the Collateral or the Collateral Agent's remedies. By its nature, some or all of the Collateral will be illiquid and may have no readily ascertainable market value and any sale of such Collateral separately from the assets of the Project Parties may not be feasible. Accordingly, there can be no assurance that the Collateral can be sold in a short period of time, if salable.

Step-in Rights

If at any time the Combined Historical Debt Service Coverage Ratio as of 12 consecutive Quarterly Dates, in each case for the twelve-month period ending on each such Quarterly Date is less than 1.15, then the Collateral Agent (acting on the instructions of the Majority Holders) shall have the right to replace the Operator as operator under the Services Agreements in accordance with the terms thereof.

Certain Covenants

The indenture will contain covenants including, among others, the following:

Limitations and Restrictions on the Issuer

The indenture will limit and restrict the Issuer from taking the following actions or engaging in the following activities or transactions:

(a) engaging in any business or entering into, or being a party to, any transaction or agreement except:

(1) the issuance, sale, redemption, repurchase, or defeasance of the notes (including, for the avoidance of doubt, any Additional Notes) and activities incidentally related thereto;

(2) entering into the Intercompany Credit Documents; and

(3) as required by applicable Law.

(b) acquiring or owning any Subsidiaries or other assets or Properties, except (1) Permitted Investments pursuant to the terms of the indenture, (2) any assets related to Intercompany Credit Documents, (3) the notes (including, for the avoidance of doubt, any Additional Notes), and (4) other non-material assets and properties;

(c) Incurring any Indebtedness (other than the notes (including, for the avoidance of doubt, any Additional Notes) or issuing any Disqualified Stock;

(d) creating, assuming, incurring or suffering to exist any Lien upon any Property whatsoever, except for Permitted Liens; and

(e) (1) entering into any merger into or consolidation, amalgamation, joint venture, or other form of combination with any other Person (whether or not the Issuer is the surviving corporation) or (2) selling, leasing, sub-letting, conveying or otherwise disposing of (or permitting or consenting to the sale, lease, sublet, conveyance or other disposition of) any of its Property, in one or more related transactions, to any Person, other than, in each case, (i) sales or other dispositions of Permitted Investments prior to the Stated Maturity thereof, (ii) Restricted Payments permitted under the indenture, (iii) other payments permitted under or contemplated by the Financing Documents, (iv) waivers or amendments to contracts or other rights as permitted under the indenture, and (v) redemptions or repurchases of the notes in accordance with the indenture.

Limitations and Restrictions on Odebrecht Drilling Services LLC

The indenture will limit Odebrecht Drilling Services LLC ("ODS") and restrict ODS from taking the following actions or engaging in the following activities or transactions:

(a) engaging in any business or entering into, or being a party to, any transaction or agreement except:

(1) being a party to the Norbe VI Construction Contracts, matters incidental thereto and receiving EPC Claim Proceeds thereunder; and

(2) as required by applicable Law.

(b) acquiring or owning any Subsidiaries or other assets or Properties, except (1) the Norbe VI Construction Contracts, (2) any EPC Claim Proceeds in connection with the Norbe VI Construction Contracts, and (3) other non-material assets and Properties;

(c) Incurring any Indebtedness or issuing any Disqualified Stock;

(d) creating, assuming, incurring or suffering to exist any Lien upon any Property whatsoever and any Equity Interests in ODS, except for Permitted Liens; and

(e) (1) except as otherwise provided below, entering into any merger into or consolidation, amalgamation, joint venture, or other form of combination with any other Person (whether or not ODS is the surviving entity) or

(2) selling, leasing, sub-letting, conveying or otherwise disposing of (or permitting or consenting to the sale, lease, sub-let, conveyance or other disposition of) any of its Property, in one or more related transactions, to any Person, other than, in each case, (i) payments of any dividend or other payments or distributions to ODN Six and (ii) any transaction pursuant to this clause (e) that results in, or in connection with, (A) ODS's liquidation, winding-up or dissolution, (B) ODS's merger, consolidation or amalgamation into ODN Six, the Operator or another Subsidiary of the Operator (an "OOG Group Merger") or (C) a transfer, sale or disposition of all of the Equity Interests in ODS to the Operator or another Subsidiary of the Operator (an "OOG Group Transfer").

Notwithstanding anything to the contrary in the indenture, ODN Six shall be permitted to take, or cause to be taken, in its sole discretion, all actions necessary to cause the liquidation, winding-up or dissolution of ODS, an OOG Group Merger or an OOG Group Transfer (collectively, the "ODS Dissolution"); provided that (1) none of the Issuer or the Guarantors shall bear any of the costs, expenses, liabilities or any other obligations (including with respect to any taxes) in connection with the ODS Dissolution, (2) no Default or Event of Default shall occur immediately after or as a result of the ODS Dissolution and (3) the ODS Dissolution would not reasonably be expected to result in a Material Adverse Effect.

Restricted Payments

None of the Issuer or the Guarantors will, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Issuer or such Guarantor's Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Issuer or such Guarantor) or to the direct or indirect holders of the Issuer's or such Guarantor's Equity Interests in their capacity as such, other than, in each case, (i) dividends or distributions payable in Equity Interests (except Disqualified Stock) of the Issuer or such Guarantor and (ii) dividends or distributions payable to the Issuer or such Guarantor;

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Issuer or such Guarantor) any Equity Interests of the Issuer or such Guarantor or any direct or indirect parent of the Issuer or such Guarantor;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of the Issuer or such Guarantor that is contractually subordinated to the notes or the Note Guarantees, other than solely with the proceeds from a Permitted Equity Issuance or Permitted Subordinated Indebtedness;

(4) pay any indemnity or any other amount under any Second Note Proceeds Utilization Intercompany Debt or ODN Tay IV Second Note Proceeds Utilization Intercompany Debt, other than solely with the proceeds from a Permitted Equity Issuance or Permitted Subordinated Indebtedness; or

(5) make any Investment other than a Permitted Investment;

(all such payments and other actions set forth in these clauses (1) through (5) above being collectively referred to as "Restricted Payments"), provided that each Guarantor may make (i) a prepayment on such Guarantor's Intercompany Credit Document to the extent necessary to permit the Issuer to redeem, repurchase or make any payment of principal, interest or other amounts due under the notes permitted under the indenture, (ii) a Distribution (as defined below) in accordance with the indenture or (iii) a Restricted Payment (other than a Restricted Payment described under clause (2) above) in connection with the Second Note Proceeds Utilization or the ODN Tay IV Second Note Proceeds Utilization.

No Guarantor will be entitled to the remittance of funds from its Offshore Distribution Holding Account to its Offshore Distribution Account on any Distribution Date (a "Distribution"), unless the following conditions are satisfied (such conditions being referred to collectively as the "Distribution Release Conditions"):

(1) no Default shall have occurred and be continuing or would occur from the making of such Distribution;

(2) a Combined Historical Debt Service Coverage Statement for the Quarterly Date immediately preceding the date of the proposed Distribution has been delivered to the Trustee. Such Combined Historical Debt Service Coverage Statement shall state that the Combined Historical Debt Service Coverage Ratio as of the Quarterly Date immediately preceding the date of the proposed Distribution for the twelve-month period covered by such statement (or, if less than 12 months, the period commencing on the Issue Date and ending on such Quarterly Date) was at least 1.15;

(3) each of the Guarantor Collateral Accounts is fully funded pursuant to the requirements of the Guarantor Accounts Agreement;

(4) at least one scheduled payment of principal under the notes has been made;

(5) any amounts due on the notes and deferred as a result of a Deferral Event shall have been fully paid; and

(6) any amounts that would be part of such Distribution shall have been deposited in the Offshore Distribution Holding Account before the commencement of the Retention Period.

Not later than the date of making a Distribution, each Guarantor shall deliver to the Trustee and the Collateral Agent a certificate of an Authorized Officer of such Guarantor stating that such Distribution complies, or will comply, with the indenture and setting forth in reasonable detail the basis upon which each of the required calculations was computed.

Incurrence of Indebtedness and Issuance of Disqualified Stock

No Guarantor will, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Indebtedness, and no Guarantor will issue any Disqualified Stock.

This covenant will not prohibit the incurrence by a Guarantor of any of the following items of Indebtedness (collectively, "Permitted Debt"):

(1) Indebtedness under the Existing Project Finance Obligations and ODN Tay IV Existing Project Finance Obligations;

(2) Indebtedness under the Financing Documents;

(3) Permitted Refinancing Indebtedness;

(4) Permitted Subordinated Indebtedness; and

(5) Indebtedness evidenced by the Intercompany Credit Documents.

Liens

No Guarantor will directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any Property now owned or hereafter acquired (including any Equity Interests in ODS), except Permitted Liens.

Leases

No Guarantor shall enter into any agreement, or be or become liable as lessee under any agreement, for the lease, hire or use of any Property, except for operating leases of Property (which do not constitute Capital Lease Obligations); provided that such Guarantor's aggregate payment obligations under all such operating leases shall not exceed U.S.$10.0 million in any calendar year. No Guarantor will enter into any Sale and Lease Back Transaction.

Subsidiaries

No Guarantor shall own any Subsidiary other than the Issuer and, in the case of ODN Six, ODS.

Merger, Consolidation, Sale or Purchase of Assets

None of the Guarantors will, directly or indirectly: (1) merge into or consolidate with any other Person (whether or not such Guarantor is the surviving corporation) or change its form of organization as a limited liability company (*Gesellschaft mit beschränkter Haftung*) organized under the laws of Austria; (2) sell, lease, sub-let (or, with respect to the Drilling Units, permit Petrobras to sub-let), convey or otherwise dispose of (or permit or consent to the sale, lease, sub-let, conveyance or other disposition of) all or substantially all of its Property, in each case, in one or more related transactions, to any Person; or (3) make any other Disposition, other than:

(1) chartering and servicing of the Drilling Units pursuant to the Charter Agreements and/or the Services Agreements (and any other chartering or servicing thereof), in each case subject to the terms of the indenture;

(2) sales or other dispositions of Permitted Investments;

(3) Restricted Payments permitted under the indenture;

(4) other payments permitted under or contemplated by the Financing Documents;

(5) sales or exchanges entered into with Affiliates of such Guarantor of spare parts or consumables permitted under the indenture (see "—Transactions with Affiliates");

(6) sales or other dispositions of Obsolete Assets; provided that, if the amount of all such sales or other dispositions of Obsolete Assets by any Guarantor during any fiscal year exceeds U.S.$50.0 million, such Guarantor shall deliver to the Trustee a certificate of an Authorized Officer of such Guarantor stating that such sale of Obsolete Assets complies with the indenture; or

(7) an ODS Dissolution.

No Guarantor shall purchase or acquire any Property other than (i) Property which is reasonably required in connection with the Project, and (ii) cash or Permitted Investments.

Transactions with Affiliates

No Guarantor will (a) make any Investment in or any payment to, (b) sell, lease, transfer, assign or otherwise dispose of any of their Property to, (c) purchase or acquire Property from, or (d) enter into or make or amend any transaction, contract, agreement, arrangement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of such Guarantor (each, an "Affiliate Transaction"), unless the Affiliate Transaction is on terms no less favorable to such Guarantor than could be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of such Guarantor.

Prior to entering into any Affiliate Transaction for any transaction amount in excess of U.S.$15.0 million, the applicable Issuer or Guarantor shall deliver to the Trustee a certificate of an Authorized Officer of such Issuer or applicable Guarantor stating that such Affiliate Transaction complies with the indenture.

These restrictions shall not apply to any Affiliate Transaction (i) under any Project Document that is effective as of the Issue Date, (ii) under any Financing Documents (including in respect of the issuance of Additional Notes), (iii) between the Issuer and the Guarantors, (iv) among the Guarantors or (v) consisting of Second Note Proceeds Utilization Intercompany Debt.

Use of Proceeds

ODN Tay IV GmbH shall use the proceeds of the ODN Tay IV Intercompany Issuer Notes solely (1) to secure the release of ODN Tay IV GmbH from all ODN Tay IV Existing Project Finance Obligations (which may include transferring such proceeds to certain Affiliates of the Guarantors and to one or more third parties for application to such purpose), (2) to pay any Project Costs in accordance with the Transaction Documents, (3) to fund the Offshore Sinking Fund Account pursuant to the terms of the indenture and the Guarantor Accounts Agreement and (4) for general corporate purposes of the ODN Tay IV GmbH, which may include making distributions or loans to the Sponsor or any of its Affiliates.

Performance of Project Documents

Each Guarantor shall perform and observe, in all material respects, all of its covenants and agreements contained in any of the Project Documents to which it is or becomes a party, and shall take all necessary action to prevent the termination of any of the Project Documents in accordance with the terms thereof or otherwise (other than by virtue of the scheduled expiration of such Project Document in accordance with its terms), unless (i) such Guarantor obtains a Ratings Affirmation in connection with such failure to perform and observe or such termination or (ii) such Guarantor shall deliver to the Trustee (A) a certificate of an Authorized Officer of such Guarantor describing in reasonable detail such failure to perform and observe or such termination and stating that such failure to perform and observe or such termination would not reasonably be expected to result in a Material Adverse Effect (under items (i), (ii) and (iv) of the definition of "Material Adverse Effect") and (B) solely in the case of a failure to comply with or observe, in all material respects, any covenants and agreements contained in the relevant Project Document, written confirmation by the Independent Engineer that such failure to perform and observe would not reasonably be expected to result in a material adverse effect on the viability of the Project.

Each Guarantor shall instruct all Project Participants to make all payments payable to such Guarantor to the Offshore Accounts Bank for deposit in the applicable Guarantor Collateral Accounts in accordance with the Guarantor Accounts Agreement.

Amendment of Project Documents and Additional Project Documents

No Guarantor shall (i) amend, supplement, modify in any material respect or give any consent to or waiver of any material matter under any Project Document or (ii) except as required or otherwise permitted by the Financing Documents and the indenture, enter into any Additional Project Document, unless in either case such Guarantor shall deliver to the Trustee (x) a certificate of an Authorized Officer of such Guarantor describing in reasonable detail the relevant action and stating that such action would not reasonably be expected to result in a Material Adverse Effect and in a material adverse effect on the viability of the Project and (y) solely in the case of any of the actions described in clauses (i) and (ii) in respect of any of the Charter Agreements, the Services Agreements or any document entered into in substitution for any of such documents, written confirmation by the Independent Engineer that such action would not reasonably be expected to result in a material adverse effect on the viability of the Project.

Certain Agreements

No Guarantor shall enter into any agreement or undertaking other than the Transaction Documents or as otherwise permitted pursuant to the terms of the indenture, restricting, or purporting to restrict, in any material respect, the ability of any Guarantor to comply with the terms of the indenture or to amend the indenture or any other Financing Document.

Security Documents

(a) Each of the Issuer and the Guarantors shall take, or cause to be taken, all actions necessary (and/or requested by the Collateral Agent) to maintain each Security Document to which it is a party in full force and effect and enforceable in accordance with its terms and to maintain and preserve the Liens created by such Security Documents and the priority thereof, including (i) making filings and recordations, (ii) making payments of fees and

other charges on a timely basis, (iii) issuing and, if necessary, filing or recording supplemental documentation, including continuation statements, (iv) discharging all claims or other Liens adversely affecting the rights of any Secured Party in any Collateral, (v) publishing or otherwise delivering notice to third parties, (vi) depositing title documents and (vii) taking all other actions either necessary or otherwise requested by the Collateral Agent to ensure that all Collateral (including any after-acquired Property of the Issuer of any Guarantor, as applicable, intended to be covered by any Security Document to which it is a party) is subject to a valid and enforceable first-priority Lien in favor of the Collateral Agent for the benefit of the Secured Parties (except as otherwise permitted under the Financing Documents). In furtherance of the foregoing, (A) each of the Issuer and the Guarantors shall ensure that all of its after-acquired Property other than such Property not intended to be covered by such Security Documents shall become subject to the Lien of the Security Documents having the priority contemplated thereby promptly upon the acquisition thereof and (B) each of the Issuer and the Guarantors shall not open or maintain any bank account (other than each Guarantor's Offshore Distribution Account) without first taking all such actions as may be necessary or otherwise requested by the Collateral Agent to ensure that such bank account is subject to a valid and enforceable first priority Lien in favor of the Collateral Agent for the benefit of the Secured Parties.

(b) Each of the Issuer and the Guarantors shall take, or cause to be taken, all actions necessary to cause each Additional Project Document intended to be covered by a Security Document to which it is a party to be or become subject to the Liens of the Security Documents (whether by amendment to any Security Document, execution of a new Security Document or otherwise) in favor of the Collateral Agent, and shall deliver or cause to be delivered to the Collateral Agent such certificates or other documents with respect to each Additional Project Document as necessary or as the Collateral Agent may request, in each case to the extent required by the Security Documents.

(c) Each of the Issuer and the Guarantors shall grant (and shall take all actions necessary to cause) a first priority Lien in favor of the Collateral Agent for the benefit of the Secured Parties on any future Property, including Replacement Assets, of the Issuer or such Guarantor that is funded by any Net Available Amount or Net Disposition Proceeds, in each case to the extent required by the Security Documents.

(d) On the Initial Notes Issue Date and at such other times as the Trustee may reasonably request in writing, each of the Issuer and the Guarantors shall furnish, or cause to be furnished, to the Trustee and the Collateral Agent, an opinion or opinions of legal counsel either stating that, in the opinion of such counsel, such action has been taken with respect to (i) amending or supplementing the Security Documents (or providing additional Security Documents, notifications or acknowledgments) as is necessary to subject all the Collateral (including any after-acquired Property of the Issuer or any Guarantor, as applicable, intended to be covered by a Security Document) to the Lien of the Security Documents and (ii) (A) the recordation of the Security Documents (including, without limitation, any amendment or supplement thereto) and any other requisite documents and (B) the execution and filing of any financing statements and continuation statements as are necessary to maintain the Liens purported to be created by the Security Documents and reciting the details of such action or stating that, in the opinion of such counsel, no such action is necessary to maintain such Liens. Such opinion or opinions of counsel shall also describe the recordation of the Security Documents and any other requisite documents and the execution and filing of any financing statements and continuation statements, or the taking of any other action that will, in the opinion of such counsel, be required to maintain the Liens purported to be created by the Security Documents after the date of such opinion.

Transfers of Equity Interests

No Guarantor shall (a) permit or consent to the transfer (by assignment, sale or otherwise) of any of its Equity Interests, or (b) issue any new Equity Interests; provided, that any Guarantor may permit or consent to the assignment, sale or transfer of its Equity Interests or to the issuance of new Equity Interests (each a "Transfer") if such Transfer is consummated in compliance with the terms of the indenture and each of the following conditions:

(1) after giving effect to any such Transfer, no Change of Control shall have occurred;

(2) such Transfer shall be made expressly subject to the granting of a Lien in favor of the Collateral Agent on the Equity Interests so being transferred, and any Person that owns any Equity Interest in any Guarantor as a result of such Transfer shall, simultaneously with such Transfer, sign a pledge agreement substantially identical to the Pledge Agreements and otherwise in form, scope and substance satisfactory to the Trustee; and

(3) such Person referred to in paragraph (2) above shall, simultaneously with such Transfer, execute and deliver to the Collateral Agent such financing statements and other documents and instruments necessary or as the Collateral Agent may request in order to evidence, secure, and perfect the Collateral Agent's security interest in and Lien on such Equity Interests.

For the avoidance of doubt, nothing herein shall restrict the ability of any Guarantor to enter into a Pledge Agreement or any other pledge agreement with respect to any Equity Interests of such Guarantor with the Collateral Agent.

Inspection

Each Guarantor shall permit, and cause the Operator to permit, at the expense of such Guarantor, representatives of the Trustee, the Insurance Advisor and the Independent Engineer, with reasonable advance notice, during normal business hours and at such intervals as such Person shall desire, to visit and inspect its Drilling Units, and to examine, copy and make extracts from its (and Operator's) books and records, to inspect its Properties, and to discuss its business and affairs with its (and the Operator's) officers and engineers, all to the extent reasonably requested by the Trustee, the Insurance Advisor or the Independent Engineer. Each of the Issuer and the Guarantors will authorize its independent auditors (whose fees and expenses shall be for the account of the Issuer or such Guarantor, as applicable) to communicate directly with the officers and designated representatives of the Trustee, the Insurance Advisor and the Independent Engineer, as the case may be, at any reasonable time and upon prior written notice to the Issuer or the relevant Guarantor, as the case may be, regarding its accounts and operations.

Each Guarantor shall permit the Trustee, the Independent Engineer and the Insurance Advisor to review (i) any quality control data and performance test data, and (ii) any other data relating to the Project as may be reasonably requested by the Trustee, the Independent Engineer or the Insurance Advisor, as the case may be.

Each Guarantor shall give reasonable notice of, and permit the Independent Engineer and the Insurance Advisor for such purpose to attend any and all material performance tests of the relevant Drilling Unit or any component thereof (whether any such test is to be conducted on or off such Drilling Unit).

For the avoidance of doubt, so long as no Event of Default shall have occurred and be continuing, inspections and visits at the expense of a Guarantor shall be limited to one inspection or visit each year by the Insurance Advisor and the Independent Engineer.

Governmental Approvals

Each Guarantor shall from time to time obtain and maintain, or cause to be obtained and maintained, each Necessary Governmental Approvals as shall now or hereafter be required under applicable Laws, except if (a) the inability to obtain, or the rescission, termination, modification or suspension of such Necessary Governmental Approval is being contested by appropriate proceedings in accordance with the indenture, and (b) the failure to obtain or maintain such Necessary Governmental Approval or any such proceedings would not reasonably be expected to result in a Material Adverse Effect.

Insurance

To the extent available to each Guarantor on commercially reasonable terms, and to the extent permitted by applicable Law, such Guarantor shall maintain or cause to be maintained in full force and effect, with financially sound insurers of international standing, insurance coverage for the Project in relation to its operations and Property in accordance with Good Practices, including:

(1) hull and machinery insurance, increased value insurance and accelerated cost of replacement insurance, with (i) a combined policy limit equal to at least 120% of the aggregate outstanding principal under the notes and (ii) an individual policy limit for each Drilling Unit (A) in the case of each of the ODN I Drillship and ODN II Drillship, equal to at least 50% of ODN I GmbH's outstanding Obligations, from time to time, under the Intercompany Issuer Notes and (B) in the case of each of the ODN Tay IV Drilling Rig and the Norbe VI Drilling Rig, equal to at least 100% of ODN Tay IV GmbH's and Norbe Six GmbH's respective outstanding Obligations, from time to time, under the ODN Tay IV Intercompany Issuer Notes and the Intercompany Issuer Notes, in each case having a deductible not higher than U.S.$10.0 million;

(2) war risks insurance, with a combined policy limit equal to at least the aggregate outstanding principal under the notes;

(3) business interruption insurance for a minimum indemnity period of 120 days and 90 days of waiting period, with policy limits no less than (i) if all Drilling Units are affected, U.S.$944,400 per day, (ii) if only two Drilling Units are affected, U.S.$565,900 per day, and (iii) if only one Drilling Unit is affected, no less than

U.S.$191,800 per day; *provided that*, with respect to each additional Drilling Unit owned by an Additional Guarantor in connection with the issuance of Additional Notes, the Guarantors shall ensure that such policy limits per day are adjusted in accordance with Good Practices to provide equivalent business interruption insurance coverage for the Project;

(4) protection and indemnity insurance, with a policy limit equal to at least U.S.$300.0 million in respect of each Drilling Unit; and

(5) comprehensive general liability insurance, with a policy limit equal to at least U.S.$25.0 million in respect of each Drilling Unit.

Such insurance shall name (i) such Guarantor as named insured, and (ii) whenever the Collateral Agent requires, to note the interest of the Collateral Agent thereon as a mortgagee and loss payee (other than under third party liability coverage) for its rights and interests. The Guarantors will cause all Insurance Proceeds to be applied in accordance with the indenture.

Project Maintenance

Each Guarantor shall maintain and preserve its Drilling Units, and all of its other Properties necessary or useful in the proper conduct of its business in good working order and in such condition that its Drilling Units, will have the capacity and functional ability to perform, on a continuing basis (ordinary wear and tear excepted), in normal commercial operation, in each case, pursuant to the Charter Agreements and the Services Agreements to which such Guarantor is a party, unless such failure to so maintain and preserve such Drilling Units, and other Properties would not reasonably be expected to result in a Material Adverse Effect.

Each Guarantor shall cause its Drilling Units to be operated, serviced, maintained and repaired so that the condition and operating efficiency thereof will be maintained and preserved (ordinary wear and tear excepted) in all material respects in accordance and compliance with (i) Good Practices, (ii) such operating standards as shall be required to enforce any material warranty claims against dealers, manufacturers, vendors, contractors, and sub-contractors, (iii) the terms and conditions of all insurance policies maintained with respect to such Drilling Units at any time and (iv) the terms of the Charter Agreements and the Services Agreements to which such Guarantor is a party, in each case, unless the failure to perform any such action would not reasonably be expected to result in a Material Adverse Effect.

No Guarantor shall, in any material respect, alter, remodel, add to, remove, reconstruct, improve or demolish any material part of its Drilling Units, except if any such alteration, remodeling, addition, removal, reconstruction, improvement or demolition (i) (x) would not reasonably be expected to result in a Material Adverse Effect and (y) such Guarantor obtains written confirmation by the Independent Engineer that such alteration, remodeling, addition, removal, reconstruction, improvement or demolition would not reasonably be expected to result in a material adverse effect on the performance of such Guarantor's obligations under the Charter Agreements and the Services Agreements to which such Guarantor is a party, provided that such confirmation need not be obtained if such alteration, remodeling, addition, removal, reconstruction, improvement or demolition arises solely in connection with an Event of Loss or disposition permitted under the indenture.

Maintenance of Existence; Business Activities

Each of the Issuer and the Guarantors shall (a) preserve and maintain its legal existence under the applicable Laws of its jurisdiction of organization and all of its material licenses, rights, privileges and franchises necessary for the maintenance of its corporate existence, (b) comply, in all material respects, with its Organizational Documents, (c) in the case of the Guarantors, engage solely in the business of owning, operating and maintaining the Facilities and activities ancillary thereto and any other activity expressly contemplated by the Transaction Documents and, in the case of the Issuer, engage solely in activities expressly contemplated by the Transaction Documents and (d) refrain from making any amendments to its Organizational Documents other than those that would not reasonably be expected to (i) result in a Material Adverse Effect or (ii) increase the risk of the Issuer or such Guarantor being consolidated with another Person in the event of a bankruptcy of the Issuer or such Guarantor (including, for the avoidance of doubt, amendments necessary in connection with a merger or consolidation of any of the Issuer or the Guarantors permitted under "—Merger, Consolidation, Sale or Purchase of Assets.").

Compliance with Laws

Each of the Issuer and the Guarantors shall conduct its business, and each Guarantor shall cause its Drilling Units to be operated in compliance with, all requirements of applicable Law, including all Necessary Governmental Approvals, Environmental Laws, the International Safety Management (ISM) Code and the International Ship and Port Facility Security (ISPS) Code, except where any failure to comply would not individually or in the aggregate reasonably be expected to result in a Material Adverse Effect, and except that any of the Issuer or the Guarantors may, at its expense, contest by appropriate proceedings conducted in good faith the validity or application of any such requirement of applicable Law, so long as (a) none of the Secured Parties would be subject to any liability for failure to comply therewith and (b) the institution of such proceedings would not reasonably be expected to result in a Material Adverse Effect.

Payment of Taxes

Each of the Issuer and the Guarantors shall duly pay and discharge before they become overdue all taxes, assessments and other governmental charges or levies imposed by a Governmental Authority upon it or its Property, income or profits; provided that any of the Issuer or the Guarantors may contest in good faith any such tax, assessment, charge, levy, claim or obligation and, in such event, may permit the tax, assessment, charge, levy, claim or obligation to remain unpaid during any period, including appeals, when the Issuer or such Guarantor is in good faith contesting the same by proper proceedings, so long as (a) adequate reserves shall have been established with respect to any such tax, assessment, charge, levy, claim or obligation, accrued interest thereon and potential penalties or other costs relating thereto, or other adequate provision for payment thereof shall have been made and (b) such contest would not reasonably be expected to result in a Material Adverse Effect.

Accounting and Financial Management

Each of the Issuer and the Guarantors shall (a) maintain adequate management information and cost control systems and (b) maintain a system of accounting in which full and correct entries shall be made of all financial transactions and the assets and business of such Person in accordance with IFRS. In the event that any of the Issuer or the Guarantors replaces its existing auditors for any reason, such Person shall appoint and maintain as auditors another firm of independent public accountants, which firm shall be internationally recognized.

Reports

So long as any notes are outstanding, each Guarantor will furnish to the note holders and the Trustee:

(1) as soon as available and in any event within 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Guarantors, a copy of the complete unaudited, combined statements of income, retained earnings and cash flow of the Guarantors, and the related unaudited, combined balance sheet of the Guarantors as at the end of such period, setting forth in each case in comparative form the corresponding figures for the corresponding period in the preceding fiscal year, if any, accompanied by a certificate of an Authorized Officer of the Guarantors, which certificate shall state that said financial statements fairly present the financial condition and results of operations of the Guarantors in accordance with IFRS, consistently applied, as at the end of, and for, such periods (subject to normal year-end audit adjustments);

(2) as soon as available and in any event within 120 days after the end of each fiscal year of the Guarantors, a copy of the complete audited, combined statements of income, retained earnings and cash flow of the Guarantors, and the related audited, consolidated balance sheet of the Guarantors as at the end of such year and any related audit letter, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, and accompanied by an unqualified opinion thereon of a firm of independent certified public accountants of recognized international standing, which opinion shall state that said financial statements fairly present the financial condition and results of operations of the Guarantors as at the end of, and for, such fiscal year in accordance with IFRS, that the related reconciliations thereof have been prepared in accordance with IFRS;

(3) at the time it furnishes each set of financial statements as described in paragraph (2) above, a certificate of an Authorized Officer of the Issuer stating that: (i) to the best of such person's knowledge, no Default has occurred and is continuing (or, if any Default has occurred and is continuing, describing the same in reasonable detail and describing what action such Guarantor has taken and proposes to take with respect thereto and; (ii) there has been no (x) notice, demand or other communication given or received by such Guarantor (A) pursuant to or relating to any of the Transaction Documents (including all requests for amendments or waivers) or pursuant to or relating to any Necessary Governmental Approval or (B) to or from any Governmental Authority relating in any

way to the Project and (y) annual environmental reports required to be delivered to Petrobras under the Charter Agreements and Services Agreements; in each case identifying matters which would reasonably be expected to result in a Material Adverse Effect, or except as detailed in such certificate; and

(4) promptly after any officer or director of such Guarantor knows or has a reasonable basis to believe that any Default or any material default by any Project Participant under any Project Document has occurred, a written notice of such event describing the same in detail and, together with such notice, a description of what action if any such Guarantor or, if known by such Guarantor, such Project Participant has taken and/or proposes to take with respect thereto.

Each Guarantor will also, for so long as any notes remain outstanding, furnish or cause to be furnished to the Trustee the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act; and the Trustee will furnish such information to note holders, beneficial owners of the notes and prospective investors upon written request.

Default and Remedies

Events of Default

An "Event of Default" occurs if:

(1) the Issuer shall default for 30 days in the payment when due of interest on the notes;

(2) the Issuer shall default in the payment when due (at maturity, upon acceleration or redemption or otherwise) of the principal of, or premium, if any, on, the notes;

(3) the Issuer or any Guarantor shall default in the payment when due of any principal of or interest on any of its Indebtedness (other than the notes) in the amount of at least U.S.$35.0 million beyond any period of grace specified therein; or any event specified in any note, agreement, indenture or other document evidencing or relating to any such Indebtedness (other than the notes) in the amount of least U.S.$35.0 million shall occur and continue if the effect of the occurrence and continuance of such event is to cause such Indebtedness to become due, or to be prepaid in full (whether by redemption, purchase, offer to purchase or otherwise), prior to the Stated Maturity of such Indebtedness and such acceleration is not rescinded or annulled within five Business Days;

(4) failure by the Issuer or the Guarantors to comply with or perform any other agreement or covenant contained in the indenture or in any other Financing Document and such failure shall continue unremedied for 60 days after notice to the Issuer by the Trustee or the holders of at least 25% in aggregate principal amount of the notes then outstanding voting as a single class;

(5) the Issuer, the Guarantors or the Operator shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its Property, (ii) make a general assignment for the benefit of its creditors or (iii) commence a voluntary case under or file a petition to take advantage of any Bankruptcy Law (as now or hereafter in effect); provided that no such event shall constitute an Event of Default in respect of the Operator to the extent that the Operator is replaced by a Replacement Project Participant in accordance with the terms of the indenture within (x) 45 days in respect of an Operator that is an Affiliate of the Sponsor or (y) 90 days in respect of an Operator that is not an Affiliate of the Sponsor, of the occurrence of such event;

(6) a proceeding or case shall be commenced, without the application or consent of the Issuer, any Guarantor or the Operator in any court of competent jurisdiction, seeking (i) its liquidation, reorganization, dissolution or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of such Person or of all or any substantial part of its Property or (iii) similar relief in respect of the Issuer, any Guarantor or the Operator under any Bankruptcy Law, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 or more days; or an order for relief against the Issuer, any Guarantor or the Operator shall be entered and continue unstayed and in effect, for a period of 60 or more days in an involuntary case under any Bankruptcy Law; provided that no such event shall constitute an Event of Default in respect of the Operator to the extent that the Operator is replaced by a Replacement Project Participant in accordance with the terms of the indenture within (x) 45 days in respect of an Operator that is an Affiliate of the Sponsor or (y) 90 days in respect of an Operator that is not an Affiliate of the Sponsor, of the occurrence of such event;

(7) a final judgment or judgments for the payment of money in excess of, (x) U.S.$15.0 million in the case of any one judgment, or (y) U.S.$35.0 million in the aggregate, shall be rendered by one or more courts, administrative tribunals or other bodies having jurisdiction against the Issuer or the Guarantors, and the same shall not be discharged (or provision shall not be made for such discharge), or a stay of execution thereof shall not be procured, within 60 days from the date of entry thereof and the Issuer or any Guarantor, as the case may be, shall not, within said period of 60 days, or such longer period during which execution of the same shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal;

(8) any of the Secured Parties shall cease to have a first priority, perfected Lien on any Collateral to the extent required by the Security Documents, subject to Permitted Liens;

(9) any Services Agreement or Charter Agreement (i) shall be terminated (other than by virtue of the scheduled expiration in the ordinary course of such Project Document in accordance with its terms), (ii) shall at any time for any reason cease to be valid and binding or (iii) shall be declared to be null and void by any Governmental Authority; provided that no Event of Default shall occur if (A) any such Project Document is replaced within 90 days of such termination, cessation or declaration with a valid and binding replacement Project Document on terms not materially less favorable (taken as a whole) to the relevant Guarantor than the agreement being replaced with or among (x) the same parties or (y) a Replacement Project Participant or (B) a Ratings Affirmation shall have been obtained;

(10) any Guarantor shall have actually abandoned the Project;

(11) an Expropriation Event shall have occurred, provided that, with respect to an Expropriation Event related to the Facilities, it shall only be an Event of Default if the Facilities shall not have been released or such Expropriation Event shall not have been rescinded within a period of 60 days after such Expropriation Event (or lesser period if none of the Guarantors shall at all times during such period of 60 days be acting diligently to contest, discharge, settle or secure the same); provided that such 60-day period shall be extended for an additional 90 days if during such additional 90-day period (A) the Project Documents are in full force and effect, (B) funds are being deposited in the Collateral Accounts in accordance with the indenture and (C) the Issuer and the Guarantors are meeting their payment obligations on the notes or the Note Guarantees when due; or

(12) the Note Guarantee of any Guarantor ceases to be in full force and effect, other than in accordance with the terms of the indenture, or any Guarantor denies or disaffirms in writing its obligations under its Note Guarantee.

Funding of Guarantor Collateral Accounts under the indenture (other than the initial funding of the Offshore Debt Service Reserve Account, the Offshore O&M Service Reserve Accounts and the Norbe VI Offshore Penalty Account in accordance with the Guarantor Accounts Agreement) is to be done from amounts available for such funding in the applicable Offshore Proceeds Accounts and in the other Guarantor Collateral Accounts in the manner specified under the terms of the relevant Accounts Agreement, and a failure to make such a funding (other than the failure to timely make such initial funding of the Offshore Debt Service Reserve Account, the Offshore O&M Reserve Accounts and the Norbe VI Offshore Penalty Account or the funding of the Offshore Debt Service Reserve Account and the Offshore O&M Reserve Accounts on or before the New Notes Issue Date) shall not itself be an Event of Default under the indenture if it is the result of insufficient funds being available for such funding in such Guarantor Collateral Accounts.

Consequences of an Event of Default

If an Event of Default, other than an Event of Default arising from clauses (5) or (6) under the caption "—Events of Default" above, occurs and is continuing under the indenture, the Trustee or the holders of at least 25% in aggregate principal amount of the notes then outstanding, by written notice to the Issuer (and to the Trustee if the notice is given by the note holders), may, and the Trustee at the written request of such note holders shall, declare the unpaid principal of and accrued interest on the notes to be immediately due and payable. Upon a declaration of acceleration, such principal and interest will become immediately due and payable. If an Event of Default arising from clauses (5) or (6) under the caption "—Events of Default" above occurs, the unpaid principal of and accrued interest on the notes then outstanding will become immediately due and payable without any declaration or other act on the part of the Trustee or any note holder.

The Majority Holders by written notice to the Issuer and to the Trustee may rescind and annul a declaration of acceleration and its consequences if

(1) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the notes that have become due solely by the declaration of acceleration, have been cured or waived, and

(2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Except as otherwise provided under the captions "—Consequences of an Event of Default" or "—Amendments and Waivers—Amendments with Consent of Note Holders," the Majority Holders may, by notice to the Trustee, waive an existing Default and its consequences. Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

The Majority Holders may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with applicable Law or the indenture, that may involve the Trustee in personal liability, or that the Trustee determines in good faith may be unduly prejudicial to the rights of note holders not joining in the giving of such direction, and may take any other action it deems proper that is not inconsistent with any such direction received from note holders.

A note holder may not institute any proceeding, judicial or otherwise, with respect to the indenture or the notes, or for the appointment of a receiver or Trustee, or for any other remedy under the indenture or the notes, unless:

(1) the note holder has previously given to the Trustee written notice of a continuing Event of Default;

(2) note holders of at least 25% in aggregate principal amount of the notes then outstanding voting as a single class have made written request to the Trustee to institute proceedings in respect of the Event of Default in its own name as Trustee under the indenture;

(3) note holders have offered to the Trustee indemnity or security reasonably satisfactory to the Trustee against any costs, liabilities or expenses to be incurred in compliance with such request;

(4) the Trustee within 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) during such 60-day period, the Majority Holders have not given the Trustee a direction that is inconsistent with such written request.

Notwithstanding anything to the contrary, the right of a note holder to receive payment of principal of or interest on its note on or after the Stated Maturities thereof, or to bring suit for the enforcement of any such payment on or after such dates, may not be impaired or affected without the consent of that note holder.

If any Event of Default occurs and is continuing and is known to a responsible officer of the Trustee, the Trustee will send notice of the Event of Default to each note holder within 90 days after it occurs, unless the Event of Default has been cured; provided that, except in the case of a default in the payment of the principal of or interest on any note, the Trustee may withhold the notice if and so long as the board of directors, the executive committee or a trust committee of directors of the Trustee in good faith determine that withholding the notice is in the interest of the note holders.

No Liability of Directors, Officers, Employees, Incorporators, Members and Stockholders

No director, officer, employee, incorporator, member or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or such Guarantor, as the case may be, under the notes, the Note Guarantees or the indenture or for any claim based on, in respect of, or by reason of, such obligations. Each note holder by accepting a note waives and releases all such liability. This waiver and release are part of the consideration for issuance of the notes. This waiver may not be effective to waive liabilities under U.S. securities Laws, and it is the view of the U.S. Securities and Exchange Commission that such a waiver is against public policy.

Amendments and Waivers

Amendments Without Consent of Note Holders. The Issuer, the Guarantors and the Trustee may amend or supplement the indenture or the notes without notice to or the consent of any note holder:

(1) to cure any ambiguity, defect or inconsistency in the indenture or the notes in a manner that does not materially and adversely affect the rights of any note holder;

(2) to evidence and provide for the acceptance of an appointment by a successor Trustee;

(3) to provide for uncertificated notes in addition to or in place of certificated notes;

(4) to provide for any Note Guarantee, to secure the notes or to confirm and evidence the release, termination or discharge of any Note Guarantee of or Lien on Collateral securing the notes when such release, termination or discharge is permitted by the indenture;

(5) to give effect to any Existing Project Finance Loan Purchase or ODN Tay IV Existing Project Finance Loan Purchase to the extent permitted by the indenture;

(6) to provide for or confirm the issuance of Additional Notes; or

(7) to make any other change that does not materially and adversely affect the rights of any note holder or to conform the indenture to this "Description of Notes."

Amendments With Consent of Note Holders. (a) Except as otherwise provided in "—Default and Remedies—Consequences of an Event of Default" or paragraph (b), the Issuer, the Guarantors and the Trustee may amend the indenture and the notes with the written consent of the Majority Holders and the Majority Holders may waive future compliance by the Issuer or the Guarantors with any provision of the indenture or the notes.

(b) Notwithstanding the provisions of paragraph (a), without the consent of each note holder affected, an amendment or waiver may not (with respect to any notes held by a non-consenting note holder):

(1) reduce the principal amount of or change the Stated Maturity of any installment of principal of any note;

(2) reduce the rate of or change the Stated Maturity of any interest payment on any note;

(3) reduce the amount payable upon the redemption of any note or change the time of any mandatory redemption or, in respect of an optional redemption, the times at which any note may be redeemed or, once notice of redemption has been given, the time at which it must thereupon be redeemed;

(4) after the time an Offer to Purchase is required to have been made, reduce the purchase amount or purchase price, or extend the latest expiration date or purchase date thereunder;

(5) make any note payable in currency other than that stated in the note;

(6) impair the right of any note holder to receive any principal payment or interest payment on such note holder's notes, on or after the Stated Maturity thereof, or to institute suit for the enforcement of any such payment;

(7) make any change in the percentage of the principal amount of the notes required for amendments or waivers;

(8) modify or change any provision of the indenture affecting the ranking of the notes or the Note Guarantees by the Guarantors in a manner adverse to such note holder; or

(9) make any change in a Note Guarantee that would adversely affect the note holders.

It is not necessary for note holders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

None of the Issuer or the Guarantors or any of its Subsidiaries or Affiliates may, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any note holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the indenture or the notes unless such consideration is offered to be paid or agreed to be paid to all note holders that consent, waive or agree to amend such term or provision within the time period set forth in the solicitation documents relating to the consent, waiver or amendment.

In addition, any amendment to, or waiver of, the provisions of the indenture or any Security Document that has the effect of releasing all or substantially all of the Collateral from the Liens securing the notes will require the consent of the note holders of at least 75% in aggregate principal amount of the notes then outstanding.

Satisfaction and Discharge

The Issuer and the Guarantors may discharge their obligations under the notes and the indenture by irrevocably depositing in trust with the Trustee U.S. Dollars or U.S. Government Obligations sufficient to pay principal of and interest on the notes to maturity or redemption, subject to meeting certain other customary conditions.

In the case of a discharge, all Note Guarantees will terminate.

Defeasance and Discharge

The Issuer may elect to:

(1) discharge most of its obligations in respect of the notes and the indenture, not including obligations related to the defeasance trust or to the replacement of notes or its obligations to the Trustee ("legal defeasance") or

(2) discharge its obligations under most of the covenants in the indenture (and the events listed in clauses (3), (4), (7) and (13) under "—Default and Remedies—Events of Default" will no longer constitute Events of Default) ("covenant defeasance");

by irrevocably depositing in trust with the Trustee U.S. dollars or U.S. Government Obligations sufficient to pay principal of and interest on the notes to maturity or redemption and by meeting certain other conditions, including delivery to the Trustee of either a ruling received from the Internal Revenue Service or an opinion of counsel to the effect that the note holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would otherwise have been the case. In the case of legal defeasance, such an opinion could not be given absent a change of applicable Law after the date of the indenture. In addition, in the case of legal defeasance, the Issuer must deliver to the Trustee opinions of counsel in Austria, Brazil and the Cayman Islands to the effect that note holders of the applicable notes will not recognize income, gain or loss in Austria, Brazil and the Cayman Islands as a result of such deposit and defeasance and will be subject to taxes in Austria, Brazil and the Cayman Islands (including withholding taxes), on the same amounts, in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred. The legal defeasance will in each case be effective when 123 days have passed since the date of the deposit in trust.

In the case of either discharge or defeasance, all Note Guarantees will terminate.

Concerning the Trustee

HSBC Bank USA, N.A. is the Trustee under the indenture.

Except during the continuance of an Event of Default, the Trustee need perform only those duties that are specifically set forth in the indenture and no others, and no implied covenants or obligations will be read into the indenture against the Trustee. In case an Event of Default has occurred and is continuing, the Trustee shall exercise those rights and powers vested in it by the indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. No provision of the indenture will require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties thereunder, or in the exercise of its rights or powers, unless it receives indemnity or security satisfactory to it against any loss, liability or expense.

The Issuer and the Guarantors will indemnify the Trustee, its Affiliates, and their respective officers, directors, agents, employees and servants, against any and all losses, liabilities or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under the indenture, including the costs and expenses of enforcing the indenture against the Issuer and the Guarantors and defending itself against any claim (whether asserted by the Issuer, the Guarantors, any note holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties under the indenture, except to the extent any such loss, liability or expense may be attributable to its gross negligence or willful misconduct. The Trustee will notify the Issuer promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Issuer will not

relieve the Issuer or the Guarantors of their obligations set forth this paragraph. The Issuer or the Guarantors will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel and the Issuer will pay the reasonable fees and expenses of such counsel. None of the Issuer or the Guarantors needs to pay for any settlement made without its consent, which consent will not be unreasonably withheld, delayed or conditioned.

The indenture and provisions of the U.S. Trust Indenture Act incorporated by reference therein contain limitations on the rights of the Trustee, should it become a creditor of any obligor on the notes, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee is permitted to engage in other transactions with the Guarantors and its Affiliates; provided that if it acquires any conflicting interest it must either eliminate the conflict within 90 days or resign as Trustee.

Luxembourg Listing Agent, Luxembourg Paying Agent and Luxembourg Transfer Agent

HSBC Bank USA, National Association is the paying agent in respect of the notes. Banque Internationale à Luxembourg S.A. is the Luxembourg listing agent, Luxembourg paying Agent and Luxembourg transfer agent in respect of the notes. The Issuer will maintain such agencies so long as the notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of the exchange so require. The address of the paying agent, Luxembourg listing agent, the Luxembourg paying agent and the Luxembourg transfer agent are set forth on the inside back cover of this offering circular.

Notices

For so long as notes in global form are outstanding, notices to be given to note holders will be given to the depositary, in accordance with its applicable policies as in effect from time to time. If the Issuer issues notes in certificated form, notices to be given to note holders will be sent by mail to the respective addresses of the note holders as they appear in the registrar's records, and will be deemed given when mailed. For so long as any notes are listed on the Euro MTF market of the Luxembourg Stock Exchange and in accordance with the rules and regulations of the Luxembourg Stock Exchange, the Issuer will publish all notices to holders in a newspaper with general circulation in Luxembourg, which is expected to be the Luxembourg Wort, or alternatively the Issuer may also publish a notice on the website of the Luxembourg Stock Exchange. Neither the failure to give any notice to a particular note holder, nor any defect in a notice given to a particular note holder, will affect the sufficiency of any notice given to another note holder.

Governing Law

The indenture and the notes shall be governed by, and construed in accordance with, the laws of the State of New York. The Note Guarantees shall be governed by, and construed in accordance with, English laws.

Consent to Jurisdiction

Each of the Issuer and the Guarantors will irrevocably submit to the exclusive jurisdiction of any New York State or United States Federal court sitting in the Borough of Manhattan in the City of New York and the courts of England over any suit, action or proceeding arising out of or relating to the indenture or any note or the Note Guarantees. Each of the Issuer and the Guarantors will irrevocably waive, to the fullest extent permitted by applicable Law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such courts and any claim that any such suit, action or proceeding brought in such courts, has been brought in an inconvenient forum and any right to which it may be entitled on account of place of residence or domicile. To the extent the Issuer or any Guarantor has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process with respect to itself or its property, each of the Issuer and the Guarantors have irrevocably waived such immunity in respect of (i) its obligations under the indenture and (ii) any note or the Guarantees. Each of the Issuer and the Guarantors will agree that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding on them and may be enforced in any court to the jurisdiction of which each of them is subject by a suit upon such judgment, provided, that service of process is effected upon the Issuer or the Guarantors in the manner specified in the following paragraph or as otherwise permitted by applicable Law.

As long as any of the notes remain outstanding, the Issuer and the Guarantors will at all times have an authorized agent in the City of New York and England, upon whom process may be served in any legal action or proceeding arising out of or relating to the indenture or any note or the Guarantees. Service of process upon any

such agent and written notice of such service mailed or delivered to the Issuer or any Guarantors shall to the extent permitted by applicable Law be deemed in every respect effective service of process upon the Issuer or such Guarantor, as the case may be, in any such legal action or proceeding. The Issuer and the Guarantors will appoint (i) in respect of New York State or United States Federal courts sitting in the Borough of Manhattan in the City of New York, National Corporate Research, as their agent for such purpose, and covenant and agree that service of process in any suit, action or proceeding may be made upon them at the office of such agent at 10 E 40th Street, 10th Floor, New York, NY 10016 (or at such other address or at the office of such other authorized agent as the Issuer or the Guarantors may designate by written notice to the Trustee) and (ii) in respect of the courts of England, NCR National Corporate Research (UK) Limited as their agent for such purpose, and covenant and agree that service of process in any suit, action or proceeding may be made upon them at the office of such agent at 7 Welbeck Street, London W1G 9YE, U.K. (or at such other address or at the office of such other authorized agent as the Issuer or the Guarantors may designate by written notice to the Trustee).

Judgment Currency

Dollars are the sole currency of account and payment for all sums due and payable by the Issuer and the Guarantors under the indenture, the notes and the Note Guarantees. If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due hereunder in Dollars into another currency, the Issuer and the Guarantors will agree, to the fullest extent that they may legally and effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Trustee determines a Person could purchase Dollars with such other currency in New York, New York, on the business day immediately preceding the day on which final judgment is given.

The obligation of each of the Issuer and the Guarantors in respect of any sum due to any note holder or the Trustee in Dollars shall, to the extent permitted by applicable Law, notwithstanding any judgment in a currency other than Dollars, be discharged only to the extent that on the business day following receipt of any sum adjudged to be so due in the judgment currency such note holder or Trustee may in accordance with normal banking procedures purchase Dollars in the amount originally due to such Person with the judgment currency. If the amount of Dollars so purchased is less than the sum originally due to such Person, each of the Issuer and the Guarantors agrees, jointly and severally, as a separate obligation and notwithstanding any such judgment, to indemnify such Person against the resulting loss; and if the amount of Dollars so purchased is greater than the sum originally due to such Person, such Person will, by accepting a note, be deemed to have agreed to repay such excess.

Certain Definitions

"Acceptable Charter Arrangement" shall mean a charter agreement and/or services agreement (together with an agreement with the operator of the applicable Drilling Unit (if other than the owner of such Drilling Unit)) relating to a Drilling Unit that is on terms and conditions (taken as a whole) no less favorable to the owner of such Drilling Unit than those applicable to (x) in the case of an Acceptable Charter Arrangement entered into with respect to an Eligible Asset in connection with the issuance of Additional Notes, each Original Guarantor pursuant to the applicable Project Documents to which such Original Guarantor is a party or (y) in the case of an Acceptable Charter Arrangement entered into with respect to any Drilling Unit in connection with a Charter Agreement Renewal Event relating to such Drilling Unit, the owner of such Drilling Unit pursuant to the Charter Agreement and Services Agreement relating to such Drilling Unit that were the object of the relevant Charter Agreement Termination Event; provided that, for purposes of meeting the requirements set forth in this definition, an Acceptable Charter Arrangement may have a scheduled expiration date that is earlier than the final scheduled maturity date of the notes and, in the case of clause (x) of this definition, an Acceptable Charter Arrangement may have a scheduled expiration date that is earlier than the scheduled expiration dates of the applicable Project Documents entered into by each Original Guarantor.

"Acceptable Charter Counterparty" shall mean, with respect to any Acceptable Charter Arrangement entered into in respect of (A) an Eligible Asset in connection with the issuance of any Additional Notes or (B) any Drilling Unit in connection with a Charter Agreement Renewal Event relating to such Drilling Unit: (i) any Person having a credit rating by each Rating Agency assigning a credit rating to such Person on the date of the issuance of the applicable Additional Notes or the date of the applicable Charter Agreement Renewal Event, as the case may be, that is equal to the higher of (x) the credit rating then assigned by such Rating Agency to Petrobras (or, to the extent that any Rating Agency then assigning a credit rating to such Person does not then assign a credit rating to Petrobras, a credit rating assigned by such Rating Agency to such Person that is equivalent to the lowest credit rating then assigned to Petrobras by any Rating Agency) and (y) an Investment Grade Rating; provided that such Person, on the

date of the issuance of the applicable Additional Notes or the date of the occurrence of the applicable Charter Agreement Renewal Event, as the case may be, shall have a credit rating assigned to it by at least one Rating Agency that also assigns a credit rating to Petrobras on such date; (ii) Petrobras or any Person that is controlled directly or indirectly by Petrobras; or (iii) a member of any joint venture, consortium or similar association that is the concessionaire of the reserve in which the relevant Eligible Asset or Drilling Unit, as applicable, will be operating pursuant to the relevant Acceptable Charter Arrangement, and Petrobras, or any other Person controlled directly or indirectly by Petrobras, is the operator of such reserve.

"Acceptable Financial Institution" shall mean in the case of the proposed issuer of any Acceptable Letter of Credit, a commercial bank or insurance company located in an Organization for Economic Co-operation and Development member country having an Acceptable Rating.

"Acceptable Letter of Credit" shall mean a standby letter of credit or other payment guarantee denominated in U.S. dollars and issued by an Acceptable Financial Institution, meeting the following requirements and any other applicable requirements set forth in the indenture:

(i) amounts available under such letter of credit or other payment guarantee may be drawn on demand upon presentation of a drawing certificate executed by the Collateral Agent which may be delivered by facsimile or other method acceptable to the relevant Acceptable Financial Institution from time to time, at any time from time to time in whole or in part from the issue date thereof until the expiration thereof;

(ii) such letter of credit or other payment guarantee shall expire not earlier than one year from the date of issuance and shall provide that, if such letter of credit is not renewed not less than five Business Days prior to its date of expiration on identical terms, the Collateral Agent shall be entitled to draw all amounts then available under such letter of credit or other payment guarantee prior to its expiration date for deposit into the Offshore Retention Account, the Offshore Debt Service Reserve Account or the applicable Offshore O&M Service Reserve Account;

(iii) the Offshore Accounts Bank as agent for the Collateral Agent, shall be named sole beneficiary under such letter of credit or other payment guarantee and entitled to draw amounts thereunder pursuant to its terms;

(iv) none of the Guarantors or the Issuer shall have any reimbursement or other obligation to the Acceptable Financial Institution issuing such letter of credit or other payment guarantee, and such Acceptable Financial Institution shall have no claim or other rights against the Issuer or any Guarantor arising from the issuance, existence or performance of its obligations under such letter of credit, including any and all rights of subrogation, whether or not such claim, remedy or right arises in equity or under contract, statute or common law; and

(v) the obligations of the Acceptable Financial Institution under such letter of credit or other payment guarantee shall be absolute and unconditional, irrespective of any circumstance (other than the presentation of a drawing certificate).

"Acceptable Rating" shall mean

(1) with respect to any Person organized in Brazil, (i) a long-term foreign currency deposit rating of at least "Baa2" (or the then-equivalent grade) from Moody's and a foreign currency issuer default rating of at least "BBB" (or the then-equivalent grade) from Standard & Poor's or Fitch; and (ii) if applicable, at least equal or equivalent to the highest credit rating assigned to the notes by such Rating Agency on the date of such determination; and

(2) with respect to any Person organized outside of Brazil, a credit rating of at least "A3" (or the then-equivalent grade) from Moody's or "A-" (or the then-equivalent grade) from Standard & Poor's or Fitch.

"Accounts Agreements" shall mean the Issuer Accounts Agreement and the Guarantor Accounts Agreement.

"Additional Guarantor Asset Maintenance Agreement" shall mean each Asset Maintenance Agreement to be entered into between an Additional Guarantor and the Operator relating to the maintenance, provision of equipment, assistance with dry-docking and other services to be provided by the Operator in connection with the Drilling Units owned by such Additional Guarantor, which shall be substantially in the form of the Norbe VI Asset Maintenance Agreement and the ODN I and ODN II Asset Maintenance Agreement.

"Additional Guarantor Conditional Assignment of Contract" shall mean the Agreement for Conditional Assignment of Contract entered into among the Operator, the Collateral Agent, and, as intervening parties, the applicable Additional Guarantor and the Issuer, with respect to the Services Agreement to which such Additional Guarantor is a party, which shall be substantially in the form of the Original Guarantors Conditional Assignment of Contract.

"Additional Guarantor Offshore Security Agreement" shall mean each Debenture to be entered into between an Additional Guarantor and the Collateral Agent substantially in the form of the Guarantor Offshore Security Agreements entered into by ODN Six and ODN I GmbH.

"Additional Guarantor Onshore Security Agreement" shall mean the Onshore Security Agreement among the Additional Guarantor, the Operator and the Collateral Agent substantially in the form of the Onshore Security Agreement entered into by ODN Six and ODN GmbH.

"Additional Guarantor Specialized Oil Industry Services Agreement" shall mean each Specialized Oil Industry Services Agreement to be entered into by an Additional Guarantor and Odebrecht Oil Services Ltd. in connection with the issuance of Additional Notes, which shall be substantially in the form of the Norbe VI Specialized Oil Industry Services Agreement and the ODN I and ODN II Specialized Oil Industry Services Agreement.

"Additional Project Document" shall mean any contract or agreement relating to operation, maintenance, repair, financing or use of any of the Facilities entered into by the applicable Guarantor with any other Person subsequent to the date of this offering (including any contract(s) or agreement(s) entered into in substitution for any Project Document that has been terminated in accordance with its terms or otherwise); provided that any contract or agreement relating to the maintenance, repair and/or upkeep of the Drilling Units that is entered into in the ordinary course of the relevant Guarantor's business in accordance with Good Practices (to the extent that the aggregate amount of payment obligations under such agreement in respect of any Drilling Unit does not exceed U.S.$15.0 million) shall not be deemed an Additional Project Document.

"Affected Property" shall mean, with respect to any Event of Loss, the Property of any Guarantor that is lost, destroyed, damaged, condemned (including, without limitation, through a Taking) or otherwise taken by another Person as a result of such Event of Loss.

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with") with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

"Amended and Restated ODN I Share Pledge Agreement" shall mean the amended and restated share pledge agreement entered into or to be entered into among ODN Holding GmbH and the Collateral Agent with respect of all of the Capital Stock of ODN I GmbH.

"Amended and Restated ODN Six Share Pledge Agreement" shall mean the amended and restated share pledge agreement entered into or to be entered into among Odebrecht Oil & Gas GmbH and the Collateral Agent in respect of the Capital Stock of ODN Six.

"Asset Maintenance Agreements" shall mean, collectively, the ODN I and ODN II Asset Maintenance Agreement, the Norbe VI Asset Maintenance Agreement and any Additional Guarantor Asset Maintenance Agreement (if any).

"Authorized Officer" shall mean (i) with respect to any Person that is a corporation or a limited liability company, the Chairman, President, Vice President, director or Secretary of such Person and (ii) with respect to any Person that is a partnership, the President, any Vice President or Secretary (or Assistant Secretary) of a general partner or managing partner of such Person, in each case whose name appears on a certificate of incumbency of such Person delivered in accordance with the terms of the indenture, as such certificate may be amended from time to time.

"Available Reserves Amount" shall mean, on any date of determination, the aggregate amount on deposit in the Offshore Debt Service Reserve Account and the Offshore O&M Service Reserve Accounts on such date.

"Balloon Amount" shall mean the sum of (i) an amount equal to the amount of principal under the initial notes described opposite the line entitled "Balloon Amount" in the amortization schedule described in the global notes in respect of the initial notes, as adjusted from time to time as a result of any redemption or cancellation of the initial notes, purchases of the initial notes pursuant to an Offer to Purchase or as otherwise permitted pursuant the indenture and any issuance of Additional Notes of the same series of the initial notes, in each case in accordance with the terms of the indenture and (ii) an amount equal to the amount of principal under the new notes described opposite the line entitled "New Notes Balloon Amount" in the amortization schedule described under the caption "—Basic Terms of Notes," as adjusted from time to time as a result of any redemption or cancellation of the new notes, purchases of the new notes pursuant to an Offer to Purchase or as otherwise permitted pursuant the indenture and any issuance of Additional Notes of the same series of the new notes, in each case in accordance with the terms of the indenture.

"Balloon Reduction Amount" shall mean, on any date of determination, an amount equal to the difference between the Balloon Amount and the Net Balloon Target Amount.

"Bankruptcy Law" shall mean the United States Federal Bankruptcy Code of 1978 and any other Law of any jurisdiction relating to bankruptcy, insolvency, liquidation, reorganization, moratorium, winding-up or composition or readjustment of debts or any similar Law.

"Business Day" shall mean a day (other than a Saturday or Sunday) on which banks are open for domestic and foreign exchange business in London, New York, and Rio de Janeiro.

"Brazil" shall mean the Federative Republic of Brazil.

"Capital Lease Obligations" shall mean, for any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) Property which obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under IFRS and, for purposes hereof, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with IFRS.

"Capital Stock" shall mean, with respect to any Person, any and all shares, interests, participations and/or rights in or other equivalents (however designated, whether voting or nonvoting, ordinary or preferred) in the equity or capital of such Person, now or hereafter outstanding, and any and all rights, warrants or options exchangeable for or convertible into any thereof.

"Cash Equivalents" shall mean (i) direct obligations of the United States, or of any agency thereof, or obligations guaranteed as to principal and interest by the United States, or of any agency thereof, in either case maturing not more than one year from the date of acquisition thereof, (ii) Dollar time deposits with, or certificates of deposit issued by, any bank or trust company licensed under the laws of the United States or any state thereof having outstanding senior long-term unsecured indebtedness and whose long-term debt is rated (on the date of acquisition thereof) "A" or better by Fitch or Standard & Poor's or "A2" or better by Moody's, respectively, maturing not more than one year from the date of acquisition thereof, (iii) commercial paper with a short-term rating "F-1" or better by Fitch or Standard & Poor's or "P-1" or better by Moody's, respectively, maturing not more than six (6) months from the date of acquisition thereof, or (iv) fixed rate investments in Reais maturing not later than 180 days from the date of acquisition thereof available on the Brazilian interbank market, issued by Brazil or any commercial bank, financial corporation, savings and loan corporation or common fund administered by financial institution with an Acceptable Rating, such issuer or fund, in each case, having a net worth exceeding the Reais equivalent of U.S.$100 million calculated as at the end of the last fiscal year of such issuer or fund, which in the three preceding fiscal years from the date on which the investment is made has not generated losses.

"Cash Flow" shall mean for a Guarantor, for any period, the excess (if any) of (i) Project Revenues in respect of such Guarantor's Drilling Unit(s) which are deposited into such Guarantor's Offshore Proceeds Account and the Onshore Proceeds and Service Account during such period minus (ii) the sum of (x) the aggregate amount in respect of such Guarantor's Drilling Unit(s) transferred to the OOG O&M Service Account and to the Guarantor O&M Service Account in respect of such Guarantor's Drilling Unit(s) pursuant to the Guarantor Accounts Agreement during such period plus (y) taxes paid by such Guarantor based on Project Revenues during such period.

"Change of Control" shall mean, at any time, (i) Odebrecht S.A. shall cease to own, directly or indirectly, beneficially or of record, at least a majority of the outstanding Voting Stock of any Guarantor or shall cease to have the power to direct or cause the direction of the management and policies of any Guarantor, or (ii) Odebrecht S.A. shall cease to own, directly or indirectly, beneficially or of record, at least a majority of the outstanding Voting

Stock of the Issuer or shall cease to have the power to direct or cause the direction of the management and policies of the Issuer, or (iii) Odebrecht S.A. shall cease to own, directly or indirectly, beneficially or of record, at least a majority of the outstanding Voting Stock of the Sponsor or shall cease to have the power to direct or cause the direction of the management and policies of the Sponsor.

"Change of Control Offer" shall have the meaning assigned to that term in the indenture governing the notes.

"Charter Agreements" shall mean, collectively, the ODN I Charter Agreement, the ODN II Charter Agreement, the Norbe VI Charter Agreement and, if applicable, any Acceptable Charter Arrangement in respect of an Eligible Asset entered into in connection with the issuance of any Additional Notes.

"Charter Agreement Renewal Event" shall mean, with respect to any Charter Agreement and Services Agreement the scheduled termination date for which is before the final scheduled maturity date of the notes, the renewal, extension or replacement of such Charter Agreement and Services Agreement by means of the entering into of an Acceptable Charter Arrangement in respect of the relevant Drilling Unit with an Acceptable Charter Counterparty.

"Charter Agreement Termination Event" shall mean the termination by expiry of the term of the Charter Agreement and the Services Agreement in respect of any of the Drilling Units that occurs before the final maturity date of the notes.

"Collateral" shall mean all Property that, in accordance with the terms of the Security Documents, is intended to be subject to any Lien in favor of the Secured Parties.

"Collateral Agent" shall mean HSBC Bank USA, N.A., acting in its capacity as the collateral agent for the Secured Parties.

"Combined Cash Flow" shall mean, for any period, the combined Cash Flow of the Guarantors (on a consolidated basis) for such period.

"Combined Historical Debt Service Coverage Ratio" shall mean, with respect to any Quarterly Date, for the relevant period, the ratio of

(i) the Combined Cash Flow for such period, to

(ii) Debt Service for such period;

provided that, for purposes of determining Combined Cash Flow for such calculation, any payment made by Petrobras under the Charter Agreements or the Services Agreements received in the month prior to the due date for such payment shall be deemed paid in the month when due.

"Combined Historical Debt Service Coverage Statement" shall mean a calculation of the Combined Historical Debt Service Coverage Ratio for the relevant period certified by an Authorized Officer of any Guarantor together with supporting data in reasonable detail.

"Conditional Assignments of Contract" shall mean the Original Guarantors Conditional Assignment of Contract and any Additional Guarantor Conditional Assignment of Contract.

"Contingent Obligation" shall mean, as to any Person, any obligation of such Person guaranteeing or intending to guarantee any Indebtedness, leases, dividends or other obligations ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (a) to purchase any such primary obligation or any Property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase Property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (d) otherwise to assure or hold harmless the owner of such primary obligation against loss in respect thereof. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made

or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"Debt Service" shall mean, for any period, the sum of (i) all amounts of principal scheduled (i.e., without having regard to any increase due to any amount of principal being paid or being required to be paid prior to or after its original scheduled due date (whether as a result of any prepayment (voluntary or otherwise), a Deferral Event or any Event of Default) to be payable by any of the Issuer or the Guarantors pursuant to the terms and conditions of the Financing Documents in respect of the notes or the Note Guarantees, as the case may be, during such period plus (ii) all amounts payable in respect of Interest Expense for such period.

"Default" shall mean any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Delay Penalties" shall mean any penalties due as a result of the delivery of the Norbe VI Drilling Rig to Petrobras pursuant to conditions acceptable to Petrobras under the Norbe VI Charter Agreement and the Norbe VI Services Agreement for commencement of commercial operation after the required date under such documents.

"Disposition" shall mean any sale, transfer or other disposition by any Guarantor to any Person of any Property other than cash or Permitted Investments.

"Disqualified Stock" shall mean any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the Stated Maturity of the notes.

"Distribution" shall have the meaning assigned to that term in "—Certain Covenants—Restricted Payments."

"Distribution Confirmation" shall have the meaning set forth in the Guarantor Accounts Agreement.

"Distribution Date" shall mean the tenth Business Day following each Quarterly Payment Date occurring prior to the final maturity date of the notes (as such date may be extended pursuant to the terms of the indenture).

"Distribution Release Conditions" shall have the meaning assigned to that term in "—Certain Covenants—Restricted Payments."

"Dollars" and the symbol "U.S.$" shall each mean freely transferable, lawful money of the United States.

"Dollar Equivalent OOG O&M Reais Transfer Amount" shall mean, with respect to any Drilling Unit, for any Monthly Transfer Date, the amount, expressed in Dollars, equal to (i) the OOG O&M Reais Transfer Amount in respect of such Drilling Unit for that Monthly Transfer Date divided by (ii) two (2).

"Drilling Units" shall mean, collectively, the Drillships, the Norbe VI Drilling Rig and, if applicable, any Eligible Asset owned by an Additional Guarantor in connection with the issuance of any Additional Notes.

"Drillships" shall mean, collectively, the ODN I Drillship and the ODN II Drillship.

"DSME" shall mean Daewoo Shipbuilding and Maritime Engineering.

"Eligible Asset" shall mean any drilling unit (including a drilling rig or drillship) (i) designed for drilling in ultra-deep water depths of at least 5,000 feet, (ii) that is registered under the flag of any of the Commonwealth of the Bahamas, the Republic of Panama, Bermuda, Liberia or the Marshall Islands, (iii) that has been operating since the date of its construction or conversion, as the case may be, for at least 180 days and not longer than five (5) years, (iv) that is chartered pursuant to an Acceptable Charter Arrangement to an Acceptable Charter Counterparty.

"Environmental Laws" shall mean any and all applicable Laws, now or hereafter in effect, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to the environment, human health or safety, or to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals, or toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, groundwater, or land, or otherwise relating to the manufacture,

processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, chemicals, or toxic or hazardous substances or wastes.

"EPC Claim Proceeds" shall mean any awards or other compensation, damages and other payments or relief with respect to such claim arising out of any engineering and procurement contracts entered into in connection with the Drilling Units.

"Equity Interests" shall mean Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Event of Loss" shall mean, with respect to any Property of any Guarantor, (1) any loss of, destruction of or damage to such Property, (2) any condemnation (including, without limitation, a Taking) or other taking of, such Property and (3) any settlement or sale directly attributable to, and in lieu of, clause (2) above.

"Existing Project Finance Agents" shall mean the "Agents," as such term is defined in the ODN I and ODN II Existing Credit Agreement and the Norbe VI Existing Credit Agreement.

"Existing Project Finance Collateral" shall mean all Property that, in accordance with the terms of the Existing Project Financing Documents, is intended to be subject to any Lien of the Existing Project Finance Secured Parties securing the Existing Project Finance Obligations.

"Existing Project Finance Obligations" shall mean at any date all Indebtedness and other obligations of the Guarantors payable on such date to the Existing Project Finance Secured Parties under the Existing Project Financing Documents.

"Existing Project Finance Secured Parties" shall mean the "Secured Parties," as such term is defined in the ODN I and ODN II Existing Credit Agreement and the Norbe VI Existing Credit Agreement.

"Existing Project Financing Documents" shall mean, collectively, the (1) ODN I and ODN II Existing Credit Agreement, (2) the Norbe VI Existing Credit Agreement and (3) each Financing Document (as such term is defined in the credit agreements referred to in clauses (1) and (2)).

"Expropriation Event" shall mean (a) any condemnation, nationalization, seizure or expropriation by a Governmental Authority of all or a substantial portion of the Facilities or the Property in its entirety of any Guarantor or of its Capital Stock, (b) any assumption by a Governmental Authority of control of all or substantially all of the (i) Facilities, (ii) Property, (iii) business operations of any Guarantor, or (iv) the Capital Stock of any Guarantor, (c) any taking of any action by a Governmental Authority for the dissolution or disestablishment of any Guarantor, or (d) any taking of any action by a Governmental Authority that would prevent any Guarantor from carrying on in all material respects its business operations or complying in all material respects with its Charter Agreement.

"Facilities" shall mean (1) the Drilling Units, (2) all equipment necessary for the operation of the Drilling Units in accordance with the Charter Agreements and the Services Agreements and (3) all other assets affixed to the Drilling Units, in each case owned by the Guarantors.

"Fair Market Value" shall mean, with respect to any Person, the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by (1) for any transaction amount in excess of U.S.$15.0 million, the board of directors or (2) otherwise, an Authorized Officer, in each case of such Person (unless otherwise provided in the indenture).

"Financing Documents" shall mean, collectively, the following documents:

(i) the indenture;

(ii) the notes;

(iii) the Purchase Agreement;

(iv) the Note Guarantees;

(v) the Undertaking Agreement;

(v) the First Amendment to the Undertaking Agreement;

(vi) the Security Documents;

(vii) the Intercompany Credit Documents; and

(viii) each other agreement or instrument designated as a "Financing Document" by the Issuer and the Trustee.

"First Addendum to Norbe VI Mortgage" shall mean the addendum to the Norbe VI Mortgage entered into or to be entered into between ODN Six and the Collateral Agent.

"First Amendment to Original Guarantors Conditional Assignments of Contract" shall mean the First Amendment to the Agreement for Conditional Assignment of Contract entered into or to be entered into among the Operator, the Collateral Agent, and, as intervening parties, the Original Guarantors and the Issuer, with respect to Original Guarantors Conditional Assignments of Contract.

"First Amendment to Original Guarantors Onshore Security Agreement" shall mean the First Amendment to the Onshore Security Agreement entered into or to be entered into among ODN Six, ODN GmbH, the Operator and the Collateral Agent.

"First Amendment to Undertaking Agreement" shall mean the first amendment to the Undertaking Agreement entered into or to be entered into among the Operator, the Trustee and the Collateral Agent.

"Fitch" shall mean Fitch Ratings Inc. and its successors.

"Good Practices" shall mean the professional practices, methods, equipment, specifications and safety and output standards and industry codes mentioned in the Services Agreements and the Charter Agreements, with respect to the design, installation, operation, maintenance, use and insurance of equipment and similar or better machinery, all of the above in compliance with applicable standards of safety, output, dependability, efficiency and economy, including recommended practice of a good, safe, prudent and workman-like character and in compliance with all applicable Laws. Good Practices are not intended to be limited to the optimum or minimum practice or method to the exclusion of all others, but rather to be a spectrum of reasonable and prudent practices and methods as practiced in the offshore oil & gas industry.

"Government Approval" shall mean any authorization, consent, approval, license, ruling, permit, tariff, rate, certification, exemption, filing, variance, claim, order, judgment, decree, publication, notice to, declaration of or with, or registration by or with, any Governmental Authority.

"Governmental Authority" shall mean any government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial or administrative body, domestic or foreign, federal, state or local, having jurisdiction over the matter or matters in question, including, without limitation, those in Brazil and the United States. For the avoidance of doubt, Petrobras shall not be considered as a Governmental Authority.

"Gross Disposition Proceeds" shall mean, with respect to any Disposition, the gross cash proceeds received from such Disposition (including any cash received by way of deferred payment pursuant to a promissory note, receivable or otherwise, but only as and when received).

"Guarantee" shall mean a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"Guarantor Accounts Agreement" shall mean the Collateral and Accounts Agreement entered into or to be entered into among ODN I GmbH, Odebrecht Drilling Norbe Six GmbH, the Operator, the Offshore Accounts Bank, the Onshore Accounts Bank, the Collateral Agent and the Trustee, as amended by the ODN Tay IV Joinder Agreement and as further amended, restated and supplemented from time to time.

"Guarantor Collateral Accounts" shall have the meaning assigned to that term in "—Accounts—Guarantors' Accounts."

"Guarantor O&M Dollar Transfer Amount" shall mean, for any Monthly Transfer Date in respect of any Drilling Unit, the amount equal to (i) the O&M Monthly Expense Amount in respect of such Drilling Unit calculated for the calendar month in which such Monthly Transfer Date occurs minus (ii) the Dollar Equivalent OOG O&M Reais Transfer Amount in respect of such Drilling Unit; provided that in respect of any Drilling Unit a greater or lesser amount may be specified as the Guarantor O&M Dollar Transfer Amount in respect of such Drilling Unit to the extent that, for such Monthly Transfer Date, the aggregate of the Guarantor O&M Dollar Transfer Amounts specified for such Monthly Transfer Date for all of the Drilling Units does not exceed, for such Monthly Transfer Date, (x) the aggregate of the O&M Monthly Expense Amounts in respect of all of the Drilling Units calculated for the calendar month in which such Monthly Transfer Date occurs *minus* (y) the Dollar Equivalent OOG O&M Reais Transfer Amounts in respect of such Drilling Units.

"Guarantor Offshore Security Agreements" shall mean, collectively, the ODN I and ODN II Offshore Security Agreement, the ODN Six Offshore Security Agreement and any Additional Guarantor Offshore Security Agreement.

"IFRS" shall mean the International Financial Reporting Standards adopted by the International Accounting Standards Board, as consistently applied, as in effect from time to time.

"Indebtedness" of any Person shall mean (i) all indebtedness of such Person for borrowed money, (ii) the deferred purchase price of assets or services which in accordance with IFRS, would be shown on the liability side of the balance sheet of such Person, (iii) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder, (iv) all Indebtedness of a second Person secured by any Lien on any Property owned by such first Person, whether or not such Indebtedness has been assumed, (v) all Capital Lease Obligations of such Person, (vi) all obligations of such Person to pay a specified purchase price for goods or services whether or not delivered or accepted, i.e., take-or-pay and similar obligations and (vii) all Contingent Obligations of such Person; provided that Indebtedness shall not include trade payables arising in the ordinary course of business so long as such trade payables are payable within 180 days of the date the respective goods are delivered or the respective services are rendered and are not overdue.

"Independent Appraiser" shall mean IHS, Inc., ABSG Consulting Inc. or any other internationally recognized independent appraisal firm with relevant experience from time to time appointed by the Issuer and certified by the Issuer to the Trustee by delivery of a certificate of an Authorized Officer of the Issuer confirming the appraisal firm's experience and qualification as an internationally recognized independent appraisal firm.

"Independent Engineer" shall mean Okeanos B.V., Crondall, DNV, Noble Denton & Associates Serviços Marítimos Ltda., Moduspec International Ltd. or any other internationally recognized independent engineering firm with relevant experience from time to time appointed by the Issuer and certified by the Issuer to the Trustee by delivery of a certificate of an Authorized Officer of the Issuer confirming the independent engineering firm's experience and qualification as an internationally recognized independent engineering firm.

"Initial Notes Issue Date" shall mean August 6, 2013, the date of issuance of the initial notes.

"Initial Notes Issuer Offshore Security Agreement" shall mean the Debenture dated August 6, 2013 among the Issuer and the Collateral Agent.

"Insurance Advisor" shall mean AON BankAssure Insurance Services, Marsh or any other or any other internationally recognized independent insurance advisor with relevant experience from time to time appointed by the Issuer and certified by the Issuer to the Trustee by delivery of a certificate of an Authorized Officer of the Issuer confirming the insurance advisor's experience and qualification as an internationally recognized insurance advisor.

"Insurance Proceeds" shall mean all amounts payable to the Guarantors, the Operator, as agent for the Guarantors, the Offshore Accounts Bank, the Onshore Accounts Bank, or the Collateral Agent in respect of any insurance required to be maintained (or caused to be maintained) pursuant to the terms of the indenture.

"Intercompany Credit Documents" shall mean, collectively the Intercompany Issuer Notes and the ODN Tay IV Intercompany Issuer Notes.

"Intercompany Issuer Notes" shall mean those certain promissory notes, each dated as of the Initial Notes Issue Date, made in favor of the Issuer by the Guarantors with economic terms substantially the same as the initial notes.

"Interest Expense" shall mean, for any period, all interest on the notes accrued or capitalized during such period (whether or not actually paid during such period) pursuant to the Financing Documents.

"Investment" in any Person shall mean, without duplication: (a) the acquisition (whether for cash, securities, other Property, services or otherwise) or holding of bonds, notes, debentures, partnership, Equity Interests or other ownership interests or other securities of such Person, or any agreement to make any such acquisition or to make any capital contribution to such Person; or (b) the making of any deposit with, or advance, loan or other extension of credit to, such Person.

"Investment Grade Rating" means BBB- or higher by Standard & Poor's, Baa3 or higher by Moody's or BBB- or higher by Fitch, or the equivalent of such global ratings by Standard & Poor's, Moody's, Fitch or other Rating Agencies.

"Issue Date Collateral" shall mean all Property that, in accordance with the terms of the Issue Date Security Documents, is intended to be subject to any Lien in favor of the Secured Parties.

"Issue Date Security Documents" shall mean, collectively, the following documents:

(a) Issuer Accounts Agreement;

(b) Issuer Offshore Security Agreement;

(c) Issuer Share Pledge Agreements; and

(d) the customary payment instructions and consents to assignments, to the extent required by the documents listed above.

"Issuer Accounts Agreement" shall mean the Collateral and Accounts Agreement entered into or to be entered into among the Issuer, the Offshore Accounts Bank, the Collateral Agent and the Trustee.

"Issuer Offshore Security Agreement" shall mean each of the Initial Notes Issuer Offshore Security Agreement and the ODN Tay IV Issuer Offshore Security Agreement.

"Law" shall mean, with respect to any Person (i) any statute, law, regulation, ordinance, rule, judgment, order, decree, permit, concession, grant, franchise, license, agreement or other governmental restriction or any interpretation or administration of any of the foregoing by any Governmental Authority (including, without limitation, Governmental Approvals) and (ii) any directive, guideline, policy, requirement or any similar form of decision of or determination by any Governmental Authority which is binding on such Person, in each case, whether now or hereafter in effect (including, without limitation, in each case, any Environmental Law).

"Lien" shall mean, with respect to any Property of any Person, any mortgage, lien, deed of trust, hypothecation, fiduciary transfer of title, assignment by way of security, pledge, charge, lease, sale and lease-back arrangement, easement, servitude, trust arrangement, or security interest or encumbrance of any kind in respect of such Property.

"Loss Proceeds" shall mean, with respect to any Event of Loss, any Insurance Proceeds, condemnation awards or other compensation, awards, damages and other payments or relief (including any compensation payable in connection with a Taking) with respect to such Event of Loss (excluding, in each case, the proceeds of general liability insurance, delay in start-up insurance and business interruption insurance).

"Majority Holders" shall mean the note holders of a majority in aggregate principal amount of the notes then outstanding.

"Material Adverse Effect" shall mean a material adverse effect on (i) the assets, the business or financial condition of the Project, the Issuer and Guarantors (taken as a whole), (ii) the ability of the Issuer and the Guarantors, collectively, to make timely payments of principal and interest on the notes, (iii) the ability of any Guarantor to perform its material obligations under the Project Documents; or (iv) the legality, validity or enforceability of any payment or other material obligation of the Issuer or any Guarantor under any of the Financing Documents or of the Liens provided under the Security Documents.

"Monthly Transfer Date" shall mean the last Business Day of each calendar month commencing with the calendar month in which the Initial Notes Issue Date occurs.

"Monthly Transfer Date Certificate" shall mean a certificate of an Authorized Officer of the applicable Guarantor substantially in the form provided for in the Guarantor Accounts Agreement setting forth the amounts to be transferred from such Guarantor's Offshore Proceeds Account pursuant to the Guarantor Accounts Agreement as of the applicable Monthly Transfer Date.

"Moody's" shall mean Moody's Investors Service, Inc. and its successors.

"Mortgages" shall mean, collectively, the ODN I Mortgage, the ODN II Mortgage, the Norbe VI Mortgage and any mortgage entered into between an Additional Guarantor and the Collateral Agent with respect to the Drilling Unit owned by such Additional Guarantor.

"Necessary Governmental Approval" shall mean (i) any Governmental Approval identified as such in the indenture and (ii) any other Governmental Approval necessary in connection with (a) the due execution and delivery of, and performance by each of the Guarantors or of its obligations and the exercise of its rights under, the Transaction Documents to which it is a party, (b) the legality, validity and binding effect or enforceability thereof, and (c) the ownership, installation, operation and maintenance of the Drilling Units as contemplated by the Transaction Documents, the failure of which to obtain and maintain would reasonably be expected to result in a Material Adverse Effect.

"Net Available Amount" shall mean, with respect to any Event of Loss, the aggregate amount of Loss Proceeds received by any Guarantor or the Collateral Agent in respect of such Event of Loss, net of reasonable out-of-pocket costs incurred in connection with such Event of Loss or the collection thereof, including fees, expenses and commissions with respect to legal, accounting, financial advisory, brokerage and other professional services provided in connection with such Event of Loss or incurred in connection with the collection thereof.

"Net Balloon Deposit Amount" shall mean, with respect to the Offshore Retention Account, on any date of determination, the amount equal to the difference between the Balloon Reduction Amount and the Available Reserves Amount.

"Net Balloon Target Amount" shall mean an amount equal to 20% of the sum of the Original Series Notes Principal Amount and the New Notes Principal Amount.

"Net Disposition Proceeds" shall mean, with respect to any Disposition, the Gross Disposition Proceeds received from such Disposition, net of reasonable out-of-pocket costs incurred in connection with such Disposition, including fees, expenses and commissions with respect to legal, accounting, financial advisory, brokerage and other professional services provided in connection with such Disposition.

"New Notes Issue Date" shall mean the date on which the new notes are originally issued under the indenture.

"New Notes Issue Date Collateral" shall mean all Property that, in accordance with the terms of the New Notes Issue Date Security Documents, is intended to be subject to any Lien in favor of the Secured Parties.

"New Notes Issue Date Security Documents" shall mean, collectively, the following documents:

(a) Issuer Accounts Agreement;

(b) Issuer Offshore Security Agreements;

(c) ODN Tay IV Issuer Offshore Security Agreement;

(d) Issuer Share Pledge Agreements (other than the ODN Tay IV Issuer Share Pledge Agreement);

(e) Additional share transfer under Issuer Share Pledge Agreement entered into by ODN I GmbH;

(f) Additional share transfer under Issuer Share Pledge Agreement entered into by ODN Six;

(g) the ODN I and ODN II Offshore Security Agreement;

(h) the ODN Six Offshore Security Agreement;

(i) the Guarantor Accounts Agreement;

(j) the ODN Tay IV Joinder Agreement;

(k) the Original Guarantors Onshore Security Agreement;

(l) First Amendment to the Original Guarantor Onshore Security Agreement;

(m) Amended and Restated ODN I Share Pledge Agreement;

(n) ODN I Amendment and Restatement Agreement;

(o) Amended and Restated ODN Six Share Pledge Agreement;

(p) ODN Six Amendment and Restatement Agreement;

(q) the ODN I Mortgage;

(r) the ODN II Mortgage;

(s) the Norbe VI Mortgage;

(t) First Addendum to Norbe VI Mortgage;

(u) the Original Guarantors Conditional Assignment of Contract;

(v) First Amendment to the Original Guarantor Conditional Assignment; and

(w) any other Security Documents entered into in connection with the issuance of the initial notes.

"New Notes Principal Amount" shall mean, with respect to the new notes, the aggregate amount of principal under the new notes, as adjusted from time to time as a result of any redemption or cancellation of the new notes, purchases of the new notes pursuant to an Offer to Purchase or as otherwise permitted pursuant the indenture and any issuance of Additional Notes of the same series of the new notes, in each case in accordance with the terms of the indenture.

"New Notes Purchase Agreement" shall mean the purchase agreement dated as of February 20, 2014, among the Issuer, the Guarantors and the initial purchasers of the new notes, relating to the sale by the Issuer of the new notes to these initial purchasers.

"Norbe VI Asset Maintenance Agreement" shall mean the Asset Maintenance Agreement entered into or to be entered into between ODN Six and the Operator relating to the maintenance, provision of equipment, assistance with dry-docking and other services to be provided by the Operator in connection with the Norbe VI Drilling Rig.

"Norbe VI Buoyancy Supply Contract" shall mean the Agreement for the Supply of Buoyancy Modules in Relation to a TDS 2000 Plus Semi-Submersible Drilling Rig dated November 29, 2006 between ODS and Trelleborg CRP Inc., as amended, restated and supplemented from time to time.

"Norbe VI Charter Agreement" shall mean the Charter Agreement entered into on September 15, 2006 (as amended, restated and supplemented from time to time), among Odebrecht Drilling Services LLC, Constructora Norberto Odebrecht Uruguay S.A. and Petrobras, and subsequently assigned to ODN Six on June 11, 2012.

"Norbe VI Construction Contracts" shall mean, collectively, the Norbe VI EPC Contract and the Norbe VI OFE Supply Contracts.

"Norbe VI Drilling Rig" shall mean the dynamically positioned semi-submersible SBM Gusto MSC TDS 2000 Plus drilling unit known as Norbe VI and owned by ODN Six.

"Norbe VI EPC Contract" shall mean the Engineering, Procurement, and Construction Contract for TDS2000 Semi-Submersible, dated September 29, 2006 (as amended, restated and supplemented from time to time) between ODS and Single Buoy Moorings, Inc., a company organized and existing under the laws of Switzerland.

"Norbe VI Equipment Sale Contract" shall mean the Capital Equipment Sale and Service Agreement dated as of December 4, 2006 between ODS and Hydril Company LP.

"Norbe VI Existing Credit Agreement" shall mean the amended, restated and novated credit agreement dated as of June 26, 2012 (as amended, restated and supplemented from time to time), among Odebrecht Drilling Services LLC, as outgoing borrower, ODN Six, as substitute borrower, the financial institutions from time to time party thereto, as lenders, The Royal Bank of Scotland N.V., as administrative agent thereunder, The Royal Bank of Scotland (Danish) branch, filial af The Royal Bank of Scotland N.V., The Netherlands, as GIEK facility agent, and Bank of America, N.A., as collateral agent.

"Norbe VI Mortgage" shall mean the Panamanian law mortgage to be entered into between ODN Six and the Collateral Agent with respect to the Facilities relating to the Drilling Rig.

"Norbe VI OFE Supply Contracts" shall mean, collectively, (i) the Norbe VI Buoyancy Supply Contract, (ii) the Norbe VI Equipment Sale Contract and (iii) the Norbe VI Risers Supply Contract.

"Norbe VI Offshore Penalty Reserve Account Required Balance" shall mean U.S.$36.0 million.

"Norbe VI Risers Supply Contract" shall mean the Agreement for the Supply of Risers in Relation to a TDS 2000 Plus Semi-Submersible Drilling Rig dated November 16, 2006, as amended by the First Amendment thereto dated December 22, 2006 and as further amended, restated and supplemented from time to time, between ODS and Dril-Quip, Inc.

"Norbe VI Services Agreement" shall mean the Services Agreement entered into on September 15, 2006 (as amended, restated and supplemented from time to time), among Construtora Odebrecht S.A. and Petrobras, and assigned to the Operator on April 20, 2007.

"Norbe VI Specialized Oil Industry Services Agreement" shall mean the Specialized Oil Industry Services Agreement to be entered into between ODN Six and Odebrecht Oil Services Ltd. relating to the operation and maintenance of the Norbe VI Drilling Rig.

"Note Guarantee" shall mean the Guarantee by each Guarantor of the Issuer's obligations on the notes and under the indenture and each other Financing Document, executed pursuant to the provisions of the indenture.

"Note Proceeds Account Threshold Date" shall have the meaning assigned to that term in "—Accounts—Issuer's Accounts—Note Proceeds Account."

"O&M Daily Expense Amount" shall mean, with respect to any Drilling Unit, for each period described in the table below, the amount set forth below opposite each such period:

Period	O&M Daily Expense Amount
January 1, 2014 - December 31, 2014	U.S.$149,000
January 1, 2015 - December 31, 2015	U.S.$153,000
January 1, 2016 - December 31, 2016	U.S.$159,000
January 1, 2017 - December 31, 2017	U.S.$165,000
January 1, 2018 - December 31, 2018	U.S.$170,000
January 1, 2019 - December 31, 2019	U.S.$174,000
January 1, 2020 - December 31, 2020	U.S.$180,000
January 1, 2021 - December 31, 2021	U.S.$186,000
January 1, 2022 - Maturity Date	U.S.$194,000

"O&M Monthly Expense Amount" shall mean, with respect to any Drilling Unit for any Month, the average of the O&M Daily Expense Amount in respect of such Drilling Unit for each day in such Month multiplied by the number of days in such Month.

"Obligations" shall mean any principal (including reimbursement obligations with respect to letters of credit whether or not drawn), interest (including in the case of the notes, all interest accrued thereon after the commencement of any action or proceeding described under clauses (5) or (6) under the first paragraph of the caption "—Events of Default," even if such interest is not enforceable, allowable or allowed as a claim in such proceeding), premium (if any), fees, indemnifications, reimbursements, expenses, damages and other liabilities payable under the Financing Documents.

"Obsolete Asset" shall mean, with respect to the Facilities of a Guarantor, any worn out or damaged Property (to the extent unfit for normal use), or Property that is obsolete or no longer necessary or required for the operation or maintenance of such Facilities.

"ODN I Amendment and Restatement Agreement" shall mean the amendment and restatement agreement entered into or to be entered into among ODN Holding GmbH and the Collateral Agent with respect to the ODN I Share Pledge Agreement.

"ODN I and ODN II Asset Maintenance Agreement" shall mean the Asset Maintenance Agreement entered into or to be entered into between ODN I GmbH and the Operator relating to the maintenance, provision of equipment, assistance with dry-docking and other services to be provided by the Operator in connection with the ODN I Drillship and the ODN II Drillship.

"ODN I and ODN II Existing Credit Agreement" shall mean the credit agreement dated as of December 14, 2010 (as amended, restated and supplemented from time to time), among ODN I GmbH, the financial institutions from time to time party thereto, as lenders, Eksport Credit Norway AS, as Eksport Credit tranche lender, HSBC Bank USA, National Association, as administrative agent thereunder, and HSBC Bank USA, National Association, as collateral agent thereunder.

"ODN I and ODN II Offshore Security Agreement" shall mean the Debenture entered into or to be entered into between ODN I GmbH and the Collateral Agent.

"ODN I and ODN II Specialized Oil Industry Services Agreement" shall mean the Specialized Oil Industry Services Agreement entered into or to be entered into between ODN I GmbH and Odebrecht Oil Services Ltd., relating to the operation and maintenance of the ODN I Drillship and the ODN II Drillship.

"ODN I Charter Agreement" shall mean the Charter Agreement (as amended, restated and supplemented from time to time) entered into on July 25, 2008 between Delba Drilling B.V. and Petrobras, and assigned to ODN I GmbH on June 18, 2010.

"ODN I Drillship" shall mean the DSME 10,000 DS Dynamically Positioned drillship known as ODN I and owned by ODN I GmbH.

"ODN I Mortgage" shall mean the Bahamian law mortgage to be entered into between ODN I GmbH and the Collateral Agent with respect to the Facilities relating to the ODN I Drillship.

"ODN I Services Agreement" shall mean the Services Agreement entered into on July 25, 2008 (as amended, restated and supplemented from time to time), among Delba Serviços and Petrobras, and assigned to the Operator on March 8, 2012.

"ODN I Share Pledge Agreement" shall mean the share pledge agreement entered into or to be entered into among ODN Holding GmbH and the Collateral Agent with respect of all of the Capital Stock of ODN I GmbH.

"ODN II Charter Agreement" shall mean the Charter Agreement (as amended, restated and supplemented from time to time) entered into on July 25, 2008 between Delba Serviços and Petrobras, and assigned to ODN I GmbH on June 18, 2010.

"ODN II Drillship" shall mean the DSME 10,000 DS Dynamically Positioned drillship known as ODN II and owned by ODN I GmbH.

"ODN II Mortgage" shall mean the Bahamian law mortgage to be entered into between ODN I GmbH and the Collateral Agent with respect to the Facilities relating to the ODN II Drillship.

"ODN II Services Agreement" shall mean the Services Agreement entered into on July 25, 2008 (as amended, restated and supplemented from time to time), between Delba Serviços and Petrobras, and assigned to the Operator on March 8, 2012.

"ODN Six" shall mean Odebrecht Drilling Norbe Six GmbH and its successors.

"ODN Six Amendment and Restatement Agreement" shall mean the amendment and restatement agreement entered into or to be entered into among Odebrecht Oil & Gas GmbH and the Collateral Agent with respect to the ODN Six Share Pledge Agreement.

"ODN Six Share Pledge Agreement" shall mean the share pledge agreement entered into or to be entered into among Odebrecht Oil & Gas GmbH and the Collateral Agent in respect of the Capital Stock of ODN Six.

"ODN Six Offshore Security Agreement" shall mean the Debenture entered into or to be entered into between ODN Six and the Collateral Agent.

"ODN Tay IV Charter Agreement" shall mean the Charter Agreement (as amended, restated and supplemented from time to time) entered into on April 18, 2008 between Delba Drilling B.V. and Petrobras, and assigned to ODN Tay IV GmbH on January 10, 2012.

"ODN Tay IV Collateral" shall mean all Property that, in accordance with the terms of the ODN Tay IV Security Documents, is intended to be subject to any Lien in favor of the Secured Parties.

"ODN Tay IV Conditional Assignment of Contract" shall mean the Agreement for Conditional Assignment of Contract entered into or to be entered into among the Operator, the Collateral Agent, and, as intervening parties, ODN Tay IV GmbH and the Issuer, with respect to the ODN Tay IV Services Agreement.

"ODN Tay IV Drilling Rig" shall mean the dynamically positioned Friede & Goldman L-767C Enhanced Pacesetter ultra-deepwater semi-submersible drilling rig known as ODN Tay IV and owned by ODN Tay IV GmbH.

"ODN Tay IV Existing Credit Agreement" shall mean the credit agreement dated as of December 22, 2011 (as amended, restated and supplemented from time to time), among ODN Tay IV GmbH, the financial institutions from time to time party thereto, BNP Paribas S.A., as administrative agent thereunder, BNP Paribas S.A., as collateral trustee thereunder, and HSBC USA, National Association, BNP Paribas S.A. and Banco Santander (Brasil) S.A., Grand Cayman Branch, as joint lead arrangers.

"ODN Tay IV Existing Project Finance Agents" shall mean the "Agents," as such term is defined in the ODN Tay IV Existing Credit Agreement.

"ODN Tay IV Existing Project Finance Collateral" shall mean all Property that, in accordance with the terms of the ODN Tay IV Existing Project Financing Documents, is intended to be subject to any Lien of the ODN Tay IV Existing Project Finance Secured Parties securing the ODN Tay IV Existing Project Finance Obligations.

"ODN Tay IV Existing Project Finance Obligations" shall mean at any date all Indebtedness and other obligations of ODN Tay IV GmbH payable on such date to the ODN Tay IV Existing Project Finance Secured Parties under the ODN Tay IV Existing Project Financing Documents.

"ODN Tay IV Existing Project Finance Secured Parties" shall mean the "Secured Parties," as such term is defined in the ODN Tay IV Existing Credit Agreement.

"ODN Tay IV Existing Project Financing Documents" shall mean, collectively, the (1) ODN Tay IV Existing Credit Agreement and (2) each Financing Document (as such term is defined in the credit agreement referred to in clause (1)).

"ODN Tay IV Intercompany Issuer Notes" shall mean those certain promissory notes, each dated as of the New Notes Issue Date, made in favor of the Issuer by ODN Tay IV GmbH with economic terms substantially the same as the new notes.

"ODN Tay IV Issuer Offshore Security Agreement" shall mean the Assignment entered into or to be entered into among the Issuer and the Collateral Agent with respect to the ODN Tay IV Intercompany Issuer Notes.

"ODN Tay IV Issuer Share Pledge Agreement" shall mean the charge over shares entered into or to be entered into among ODN Tay IV GmbH and the Collateral Agent with respect to the Equity Interests in the Issuer owned by ODN Tay IV GmbH.

"ODN Tay IV Joinder Agreement" shall mean the Joinder Agreement entered into or to be entered into among ODN I GmbH, Odebrecht Drilling Norbe Six GmbH, ODN Tay IV GmbH, the Operator, the Offshore Accounts Bank, the Onshore Accounts Bank, the Collateral Agent and the Trustee in respect of the Guarantor Accounts Agreement.

"ODN Tay IV Mortgage" shall mean the Marshall Islands law mortgage to be entered into between ODN Tay IV GmbH and the Collateral Agent with respect to the Facilities relating to the ODN Tay IV Drilling Rig.

"ODN Tay IV Offshore Security Agreement" shall mean the Debenture entered into or to be entered into between ODN Tay IV GmbH and the Collateral Agent.

"ODN Tay IV Onshore Security Agreement" shall mean the Onshore Security Agreement entered into or to be entered into among ODN Tay IV GmbH, the Operator and the Collateral Agent.

"ODN Tay IV Second Note Proceeds Utilization Intercompany Debt" shall mean any loans extended by ODN Tay IV GmbH to the Sponsor or any of its Affiliates for the sole purpose of effecting the withdrawal and transfer of the proceeds remaining on deposit in the Note Proceeds Account on behalf of ODN Tay IV GmbH after the occurrence of the ODN Tay IV First Note Proceeds Utilization pursuant to the terms of the indenture; provided that the aggregate principal amount of such loans shall not exceed the aggregate amount of funds deposited in the Note Proceeds Account after the occurrence of the ODN Tay IV First Note Proceeds Utilization.

"ODN Tay IV Security Documents" shall mean, collectively, the following documents:

(i) ODN Tay IV Offshore Security Agreement;

(ii) Guarantor Accounts Agreement, as amended by the ODN Tay IV Joinder Agreement;

(iii) ODN Tay IV Onshore Security Agreement;

(iv) ODN Tay IV Share Pledge Agreement;

(v) ODN Tay IV Mortgage;

(vi) ODN Tay IV Conditional Assignment of Contract;

(vii) ODN Tay IV Issuer Share Pledge Agreement; and

(viii) the customary assignments of insurance policies, payment instructions and consents to assignments, to the extent required by the documents listed above.

"ODN Tay IV Services Agreement" shall mean the Services Agreement entered into on May 18, 2008 (as amended, restated and supplemented from time to time), among Delba Serviços and Petrobras, and assigned to the Operator on January 10, 2012.

"ODN Tay IV Share Pledge Agreement" shall mean the share pledge agreement entered into or to be entered into among ODN Tay IV Holding GmbH and the Collateral Agent with respect of all of the Capital Stock of ODN Tay IV GmbH.

"Offshore Accounts Bank" shall mean HSBC Bank USA, National Association, acting in its capacity as Offshore Accounts Bank pursuant to the applicable Accounts Agreement, and shall include any successor Offshore Accounts Bank appointed pursuant to the applicable Accounts Agreement.

"Offshore Debt Service Reserve Account Required Balance" shall mean, as of any Quarterly Payment Date, an amount equal to the aggregate amount of all Debt Service due and payable or estimated to be due and payable during the six-month period commencing on the day following such Quarterly Payment Date; provided that, if there has not occurred a Charter Agreement Renewal Event with respect to any applicable Drilling Unit as of the date that is 30 days prior to the scheduled termination of the Charter Agreement and Services Agreement in respect of such

Drilling Unit, "Offshore Debt Service Reserve Account Required Balance" shall mean, as of the Offshore Debt Service Reserve Account Increased Balance Trigger Date and any Quarterly Payment Date occurring thereafter until such time as there has occurred a Charter Agreement Renewal Event with respect to each of the applicable Drilling Units, an amount equal to the aggregate amount of all Debt Service due and payable or estimated to be due and payable during the twelve-month period commencing on the day following such Offshore Debt Service Reserve Account Increased Balance Trigger Date or Quarterly Payment Date, as applicable; provided further that the Offshore Debt Service Reserve Account Required Balance shall not include the Balloon Amount.

"Offshore O&M Service Reserve Account Required Balance" shall mean, with respect to the Offshore O&M Service Reserve Account owned by any Guarantor, as of any Quarterly Payment Date, the aggregate O&M Monthly Expense Amount in respect of such Guarantor's Drilling Unit(s) applicable for the calendar month in which such Quarterly Payment Date occurs multiplied by three.

"Offshore Project Receipts" shall mean all revenues or other payments of any kind received by any Guarantor or for the account of such Guarantor, including, without limitation, (i) from Petrobras under the Charter Agreement(s) to which such Guarantor is a party, (ii) from any other party pursuant to the Project Documents to which such Guarantor is a party, (iii) interest accrued on, and other income derived from, the balance outstanding in such Guarantor's Guarantor Collateral Accounts (including, without limitation, from Permitted Investments) and (iv) business interruption insurance proceeds relating to the Drilling Unit(s) owned by such Guarantor; provided, that Offshore Project Receipts shall exclude, to the extent otherwise included, Loss Proceeds and EPC Claim Proceeds.

"Offshore Retention Account Threshold Amount" shall mean, with respect to the Offshore Retention Account, (1) as of any Quarterly Payment Date occurring prior to the Quarterly Payment Dates occurring in March and June 2022, an amount equal to the Net Balloon Deposit Amount and (2) as of the Quarterly Payment Dates occurring in March and June 2022, an amount equal to the sum of (a) the Net Balloon Deposit Amount and (b) any amounts deferred as a result of a Deferral Event.

"Onshore Accounts Bank" shall mean HSBC Bank Brasil S.A., a Brazilian financial institution, acting in its capacity as Onshore Accounts Bank pursuant to the applicable Accounts Agreement, and shall include any successor Onshore Accounts Bank appointed pursuant to the applicable Accounts Agreement.

"Onshore Project Receipts" shall mean, without duplication, with respect to any Guarantor's Facilities, the aggregate of (i) all payments of any kind received by the Operator, or for the account of the Operator, under the Services Agreement with respect to such Facilities and (ii) interest accrued on, and other income derived from, the balance outstanding in the Onshore Proceeds and Service Account (including, without limitation, from Permitted Investments).

"Onshore Security Agreements" shall mean the Original Guarantors Onshore Security Agreement and any Additional Guarantor Onshore Security Agreements.

"OOG O&M Reais Transfer Amount" shall mean, with respect to any Drilling Unit, for any Monthly Transfer Date, the Reais amount in respect of such Drilling Unit due to be available in the Onshore Proceeds and Service Account as of the Monthly Transfer Date set forth in Part A of the relevant Monthly Transfer Date Certificate, provided that in the event the corresponding Dollar Equivalent OOG O&M Reais Transfer Amount in respect of such Drilling Unit for such Monthly Transfer Date would exceed the O&M Monthly Expense Amount in respect of such Drilling Unit applicable for the Month in which such Monthly Transfer Date occurs, the OOG O&M Reais Transfer Amount in respect of such Drilling Unit shall be reduced to the extent necessary to make the Dollar Equivalent OOG O&M Reais Transfer Amount in respect of such Drilling Unit equal to the O&M Monthly Expense Amount in respect of such Drilling Unit, provided further that such reduction shall only be applied to the extent that for such Monthly Transfer Date the aggregate of the corresponding Dollar Equivalent OOG O&M Reais Transfer Amounts in respect of all of the Drilling Units would exceed the aggregate of the O&M Monthly Expense Amounts for such Drilling Units.

"Operation and Maintenance Expenses" shall mean, collectively, without duplication, all reasonable (i) expenses of administering, upkeeping (in the case of the Guarantors) and operating (in the case of the Operator) the Project and of maintaining it in accordance with Good Practices incurred by the Guarantors or the Operator, as applicable, (ii) transportation costs payable by the Guarantors and the Operator, in connection with the Project, (iii) direct operating and maintenance costs of the Project payable by the Guarantors and the Operator (including amounts payable pursuant to the Services Agreements), (iv) insurance premiums payable by the Guarantors and the

Operator (or any of their Affiliates) in connection with the Project, (v) property, sales, value-added and excise taxes payable by the Guarantors and the Operator in connection with the Project (other than taxes imposed on or measured by income or receipts), (vi) costs and fees incurred by the Guarantors and the Operator (or any of their Affiliates) in connection with obtaining and maintaining in effect the Governmental Approvals required in connection with the Project, and (vii) legal, accounting and other professional fees incurred in the ordinary course of business in connection with the Project payable by the Guarantors and the Operator; provided, that "Operation and Maintenance Expenses" shall not include payments into the Offshore Debt Service Reserve Account, depreciation, or any items properly chargeable by IFRS to fixed capital accounts, or expenses incurred by the Guarantors related to warranty or indemnity payments or damages payable to the Guarantors under any Project Document.

"Operator" shall mean Odebrecht Oleo e Gas S.A., a corporation organized and existing under the laws of Brazil or its successors and permitted assigns under the Services Agreements.

"Organizational Documents" shall mean, with respect to any Person, (i) the memorandum or articles of incorporation, limited liability company agreement, partnership agreement, *acta constitutiva* or other similar organizational document of such Person, (ii) the by-laws, *estatutos* or other similar document of such Person, (iii) any certificate of designation or instrument relating to the rights of preferred shareholders or other holders of Capital Stock of such Person and (iv) any shareholder rights agreement or other similar agreement.

"Original Guarantors" shall mean, collectively, ODN I GmbH and Odebrecht Drilling Norbe Six GmbH.

"Original Guarantors Conditional Assignments of Contract" shall mean the Agreement for Conditional Assignment of Contract entered into or to be entered into among the Operator, the Collateral Agent, and, as intervening parties, the Guarantors and the Issuer, with respect to the Norbe VI Services Agreement, the ODN I Services Agreement and the ODN II Services Agreement.

"Original Guarantors Onshore Security Agreement" shall mean the Onshore Security Agreement entered into or to be entered into among ODN Six, ODN GmbH, the Operator and the Collateral Agent.

"Original Series Notes Principal Amount" shall mean, with respect to the original series of the notes, the aggregate amount of principal under the original series of the notes, as adjusted from time to time as a result of any redemption or cancellation of the notes, purchases of the notes pursuant to an Offer to Purchase or as otherwise permitted pursuant the indenture and any issuance of Additional Notes of the same series of the initial notes, in each case in accordance with the terms of the indenture.

"Penalty Transfer Requisition" shall have the meaning set forth in the Guarantor Accounts Agreement.

"Permitted Equity Issuance" shall mean the issuance of any Equity Interests by any of the Issuer or the Guarantors, which such Equity Interests will be subject to a first-priority Lien in favor of the Collateral Agent for the benefit of the note holders pursuant to the terms of the indenture.

"Permitted Investments" shall mean:

(1) in respect of any account of any Person held with the Offshore Account Bank: (i) direct obligations of the United States, or of any agency thereof, or obligations guaranteed as to principal and interest by the United States, or of any agency thereof, in either case maturing not more than one year from the date of acquisition thereof; (ii) Dollar time deposits with, or certificates of deposit issued by, any bank or trust company licensed under the laws of the United States or any state thereof having outstanding senior long-term unsecured indebtedness and whose long-term debt is rated (on the date of acquisition thereof) "A" or better by Fitch or Standard & Poor's or "A2" or better by Moody's, respectively, maturing not more than one year from the date of acquisition thereof; (iii) commercial paper with a short-term rating "F-1" or better by Fitch or Standard & Poor's or "P-1" or better by Moody's, respectively, maturing not more than six (6) months from the date of acquisition thereof; and (iv) money market funds rated at least "AA" or better by Fitch or Standard Poor's or "Aa2" or better by Moody's, including any fund for which the Offshore Accounts Bank or an affiliate of the Offshore Accounts Bank serves as an investment advisor, administrator or shareholder servicing agent, notwithstanding that (A) the Offshore Accounts Bank or an affiliate of the Offshore Accounts Bank charges and collects fees and expenses from such fund for services rendered (provided that such charges, fees and expenses are on terms consistent with terms negotiated at arm's length) and (B) the Offshore Accounts Bank charges and collects fees and expenses for services rendered pursuant to the applicable Accounts Agreement;

(2) in respect of any account of any Person held with the Onshore Account Bank: fixed rate investments maturing not later than 180 days from the date of acquisition thereof available on the Brazilian interbank market, issued by Brazil or any commercial bank, financial corporation, savings and loan corporation or common fund administered by financial institution with an Acceptable Rating, such issuer or fund, in each case, having a net worth exceeding the Reais equivalent of U.S.$100 million calculated as at the end of the last fiscal year of such issuer or fund, which in the three preceding fiscal years from the date on which the investment is made has not generated losses;

(3) in respect of the Issuer, the Intercompany Issuer Credit Documents; and

(4) in respect of the Guarantors, any Second Note Proceeds Utilization Intercompany Debt, any ODN Tay IV Second Note Proceeds Utilization Intercompany Debt and Investments in the Issuer.

"Permitted Liens" shall mean:

(1) Liens on assets of the Issuer, the Guarantor and the other Project Parties securing all Obligations of the Project Parties under the notes, the Note Guarantees, indenture and each other Financing Document, as applicable;

(2) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted; provided that any reserve or other appropriate provision as is required in conformity with IFRS, has been made therefor;

(3) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens imposed by law and arising in the ordinary course of business or in connection with the operation of the Facilities, in each case for sums not yet due or being contested in good faith and by appropriate proceedings;

(4) Liens arising by operation of applicable Law in relation to crew's wages and salvage, including contract salvage; provided that all obligations relating thereto are paid when due or being contested in good faith and by appropriate proceedings;

(5) pledges or deposits under worker's compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts or leases, or to secure public or statutory obligations, surety bonds, appeal bonds, customs duties and the like, or for the payment of rent, in each case incurred in the ordinary course of business and not securing Indebtedness; and

(6) Liens on Existing Project Finance Collateral.

"Permitted Refinancing Indebtedness" shall mean, with respect to any Person and on any date of determination, Indebtedness in an amount no less than the sum of the principal amount of notes outstanding on such date, plus accrued and unpaid interest to the such date and any other amounts owed to the note holders pursuant to the indenture, the proceeds of which are applied to the payment in full of such amounts.

"Permitted Subordinated Indebtedness" shall mean, with respect to any Person, any unsecured Indebtedness of such Person that (i) is expressly subordinated in right of payment and liquidation to the notes and the Note Guarantees, (ii) is subject to a first-priority Lien in favor of the Collateral Agent for the benefit of the Secured Parties pursuant to the indenture, (iii) does not require or permit any cash payment of any obligation thereunder prior to its Stated Maturity, except to the extent and in the amount that the Issuer or the Guarantors are permitted to make a Restricted Payment under the indenture, and (iv) does not mature prior to the date that is 180 days after the Stated Maturity of the notes.

"Person" shall mean any individual, corporation, limited liability company, company, voluntary association, partnership, joint venture, trust, or other enterprises or unincorporated organization or government (or any agency, instrumentality or political subdivision thereof).

"Petrobras Withholding Tax Event" shall mean the commencement by Petrobras of deductions of withholding income tax (or IRRF), pursuant to Law No. 9,481/97l, of 15% or more from payments due to the Guarantors under the Charter Agreements; provided that a Petrobras Withholding Tax Event shall not be deemed to be continuing as soon as Petrobras (i) ceases making such deductions or (ii) increases amounts it pays under the Charter Agreements to offset the economic impact on the Guarantors of such withholding income taxes.

"Pledge Agreements" shall mean, collectively, the ODN I Share Pledge Agreement, the ODN Six Share Pledge Agreement and any pledge agreement entered into or to be entered into between the shareholders of any Additional Guarantor and the Collateral Agent with respect of all of the Capital Stock of such Additional Guarantor.

"Project" shall mean the chartering and operation of the Drilling Units and related Facilities.

"Project Costs" shall mean all costs and expenses reasonably and necessarily incurred or to be incurred by the Guarantors or the Sponsor (i) to finance the Project in the manner contemplated by the Transaction Documents, including all reasonable and necessary costs and expenses incurred in connection with the negotiation and preparation of the Transaction Documents and the formation of the Issuer and (ii) required for the operation and maintenance of the Project.

"Project Documents" shall mean, collectively, the following documents:

(i) the Charter Agreements;

(ii) the Services Agreements;

(iii) the Asset Maintenance Agreements;

(iv) the Specialized Oil Industry Services Agreements; and

(v) any Additional Project Document.

"Project Parties" shall mean, collectively, the Issuer, the Guarantors, the Operator, Odebrecht Oil & Gas GmbH, ODN Holding GmbH and Odebrecht Oil Services Ltd.

"Project Participants" shall mean the Operator, Odebrecht Oil Services Ltd., Petrobras, each party (other than the Guarantors) to an Additional Project Document, and each Replacement Project Participant.

"Project Revenues" shall mean for a Guarantor, for any period, without duplication, the aggregate of all revenues received by such Guarantor and, with respect to such Guarantor's Drilling Units, by the Operator during such period from (i) payments made thereto under the Project Documents (other than the Specialized Oil Industry Services Agreements and the Asset Maintenance Agreements), (ii) interest accrued on, and other income derived from, the balance outstanding during such period in such Guarantor's Guarantor Collateral Accounts (including, without limitation, from Permitted Investments) of such Guarantor, (iii) the proceeds of any business interruption insurance or warranty or indemnity payments or damages payable to such Guarantor under any Project Document; and (iv) if Petrobras offsets the amount of any Delay Penalties against payments owed by Petrobras under the Norbe VI Charter Agreement or the Norbe VI Services Agreements (the "Offset Amount"), funds that are transferred to the ODN Six's Offshore Proceeds Account from the Norbe VI Offshore Penalty Reserve Account in accordance with the Guarantor Accounts Agreement in an amount equal to such Offset Amount.

"Property" shall mean any property of any kind whatsoever, whether movable, immovable, real, personal or mixed and whether tangible or intangible, any right or interest therein or any receivables or credit rights (*direitoscreditorios*).

"Purchase Agreement" shall mean the purchase agreement dated as of July 26, 2013, among the Issuer, the Guarantors and the initial purchasers of the initial notes, relating to the sale by the Issuer of the initial notes to these initial purchasers.

"Quarterly Date" shall mean the last day of each March, June, September and December in each year or the fiscal quarters ended on such dates, as applicable.

"Quarterly Payment Date" shall mean March 1, June 1, September 1 and December 1 of each year and the final maturity date of the notes, or, if such day is not a Business Day, the next succeeding Business Day.

"Quarterly Payment Date Certificate" shall mean a certificate of an Authorized Officer of any Guarantor substantially in the form provided for in the Accounts Agreement to which such Guarantor is a party setting forth the amounts to be transferred from such Guarantor's Offshore Proceeds Account pursuant to such Accounts Agreement as of the applicable Quarterly Payment Date.

"Rating Agency" shall mean Standard & Poor's, Fitch or Moody's; or if Standard & Poor's, Fitch or Moody's are not making ratings of the notes publicly available, an internationally recognized U.S. rating agency or agencies, as the case may be, selected by the Issuer, which will be substituted for Standard & Poor's, Fitch or Moody's, as the case may be.

"Rating Decline" shall mean that at any time within 90 days (which period shall be extended for the period and so long as the rating of the notes is under publicly announced consideration for possible downgrade by any Rating Agency) after the date of public notice of (i) a Change of Control, or the intention of any Person to effect a Change of Control, the then-applicable rating of the notes is decreased by (i) if three Rating Agencies are making ratings of the notes publicly available, at least two of the Rating Agencies or (ii) if two or fewer Rating Agencies are making ratings of the notes publicly available, then any one of the Rating Agencies, by one or more categories; provided that any such Rating Decline results in whole or in part from a Change of Control.

"Ratings Affirmation" shall mean, with respect to any particular action or proposed action, each of Standard & Poor's, Moody's or Fitch or, if any or all of such ratings agencies do not then rate the notes, such other Rating Agency then having issued long-term debt ratings for the notes, affirms that such long-term debt ratings will not be lowered as a result of the taking of such action or proposed action.

"Reais," "Real" and the symbol "R$" shall each mean freely transferable, lawful money of the Federative Republic of Brazil.

"Reimbursement Requisition" shall have the meaning set forth in the Guarantor Accounts Agreement.

"Relevant Date" shall mean, with respect to any payment on a note or under the Note Guarantees, whichever is the later of: (i) the date on which such payment first becomes due; and (ii) if the full amount payable has not been received by the Trustee or the Collateral Agent, as applicable, on or prior to such due date, the date on which notice is given to the note holders that the full amount has been received by the Trustee or the Collateral Agent, as applicable.

"Replacement Project Participant" shall mean any Person that assumes the obligations of the replaced Project Participant under any Project Document on terms and conditions (taken as a whole) no less favorable to the relevant Guarantor than those applicable to the replaced Project Participant pursuant to the applicable Project Document; provided that (1) the Issuer or any Guarantor shall have delivered a certificate of an Authorized Officer of the Issuer to the Trustee stating that (i) such Person is at least as creditworthy (or has credit support from a Person at least as creditworthy) of the replaced Project Participant and (ii) is otherwise at least as capable of performing the obligations of the replaced Project Participant under the applicable Project Document as the replaced Project Participant under the applicable Project Document as the replaced Project Participant, in each case, on the date that the applicable Project Document was entered into, and (2) in respect of Petrobras or the Operator, such Person is approved in writing by note holders of at least 75% in aggregate principal amount of the notes then outstanding, provided, however, that no consent of the note holders shall be required if (i) in respect of the Operator, such Person is an Affiliate of the Sponsor, and (ii) in respect of Petrobras, (A) such Person is either (x) controlled directly or indirectly by Petrobras or (y) a member of any joint venture, consortium or similar association that is the concessionaire of the reserve in which the Drilling Units are operating pursuant to the Charter Agreements and Petrobras, or any other Person controlled directly or indirectly by Petrobras, is the operator of such reserve, or (B) the relevant Guarantor obtains a Ratings Affirmation.

"Replacement Asset Purchase Requisition" shall have the meaning set forth in the Guarantor Accounts Agreement.

"Replacement Assets" shall mean Property that will be used or useful in connection with the Project.

"Requisition" shall mean a Restoration Requisition, a Reimbursement Requisition, a Replacement Asset Purchase Requisition or a Penalty Transfer Requisition.

"Requisition Date" shall mean the date specified in a Requisition as a date on which monies are requested by any Guarantor to be withdrawn and transferred from the Guarantor Collateral Accounts to which such Requisition relates for the purpose set forth in such Requisition.

"Reserve Account Letter of Credit" shall mean an Acceptable Letter of Credit delivered, in accordance with the terms of the Guarantor Accounts Agreement in respect of the Offshore Debt Service Reserve Account, the Offshore

Retention Account, either of the Offshore O&M Service Reserve Accounts or the Norbe VI Offshore Penalty Reserve Account.

"Restoration Requisition" shall have the meaning set forth in the Guarantor Accounts Agreement.

"Restoration Work" shall mean the design, engineering, procurement, construction and other work with respect to the Restoration of Affected Property.

"Restore" shall mean, with respect to any Affected Property, to rebuild, repair, restore or replace such Affected Property. The terms "Restoration" and "Restoring" shall have a correlative meaning.

"Retention Period" shall mean the period of time commencing on December 1, 2018 and ending on any date on which the aggregate amount on deposit in the Offshore Retention Account is not less than the Offshore Retention Account Threshold Amount; provided that following any Deferral Event, such period shall be extended as necessary until the amount on deposit in the Offshore Retention Account is not less than the Offshore Retention Account Threshold Amount (as increased as a result of such Deferral Event).

"Sale and Leaseback Transaction" shall mean, with respect to any Person, an arrangement whereby such Person enters into a lease of property previously transferred by such Person to the lessor.

"SEC" shall mean the Securities and Exchange Commission.

"Second Note Proceeds Utilization Intercompany Debt" shall mean any loans extended by the Guarantors to the Sponsor or any of its Affiliates for the sole purpose of effecting the withdrawal and transfer of the proceeds remaining on deposit in the Note Proceeds Account on behalf of the Guarantors after the occurrence of the First Note Proceeds Utilization pursuant to the terms of the indenture; provided that the aggregate principal amount of such loans shall not exceed the aggregate amount of funds deposited in the Note Proceeds Account after the occurrence of the First Note Proceeds Utilization.

"Secured Parties" shall mean, collectively, the Collateral Agent, the Trustee, the note holders and any other Person (other than the Project Parties or any Affiliate of any thereof) that has a right to receive any payment from any of the Issuer, the Guarantors or any other Project Party under the Financing Documents.

"Security Documents" shall mean, collectively, without duplication, the following documents:

(i) Issue Date Security Documents;

(ii) New Notes Issue Date Security Documents;

(iii) ODN Tay IV Issuer Offshore Security Agreement;

(iv) ODN Tay IV Issuer Share Pledge Agreement;

(v) ODN Tay IV Security Documents;

(vi) Guarantor Offshore Security Agreements;

(vii) Guarantor Accounts Agreement;

(viii) Onshore Security Agreements;

(ix) Pledge Agreements;

(x) Mortgages;

(xi) Conditional Assignments of Contract; and

(xii) the customary assignments of insurance policies, payment instructions and consents to assignments, to the extent required by the documents listed above.

in each case, as amended, supplemented and modified from time to time.

"Services Agreements" shall mean, collectively, the ODN I Services Agreement, the ODN II Services Agreement, the Norbe VI Services Agreement and, if applicable, any Acceptable Charter Arrangement in respect of an Eligible Asset entered into in connection with the issuance of any Additional Notes.

"Specialized Oil Industry Services Agreements" shall mean, collectively, the Norbe VI Specialized Oil Industry Services Agreement, the ODN I and ODN II Specialized Oil Industry Services Agreement and any Additional Guarantor Specialized Oil Industry Services Agreement.

"Sponsor" shall mean Odebrecht Oleo e Gas S.A., a corporation organized and existing under the laws of Brazil.

"Standard & Poor's" shall mean Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

"Stated Maturity" shall mean (a) with respect to any Indebtedness, the date specified as the fixed date on which the final installment of principal of such Indebtedness is due and payable or (b) with respect to any scheduled installment of principal of or interest on any Indebtedness, the date specified as a fixed date on which such installment is due and payable as set forth in the documentation governing such Indebtedness, not including any contingent obligation to repay, redeem or repurchase prior to the regularly scheduled date for payment.

"Subsidiary" shall mean with respect to any Person, any corporation, association or other business entity of which more than 50% of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more Subsidiaries of such Person (or a combination thereof).

"Taking" shall mean any circumstance or event, or series of circumstances or events (including an Expropriation Event), in consequence of which all or substantially all of any Drilling Unit shall be condemned, nationalized, seized, compulsorily acquired or otherwise expropriated by any Governmental Authority under power of eminent domain or otherwise. The term "Taken" shall have a correlative meaning.

"Transaction Documents" shall mean, collectively, the Project Documents and the Financing Documents.

"Undertaking Agreement" shall mean the undertaking agreement dated as of August 6, 2013 among the Operator, the Trustee and the Collateral Agent.

"Uniform Commercial Code" and "UCC" shall mean the Uniform Commercial Code as adopted in the State of New York or any other applicable jurisdiction.

"United States" and "U.S." shall each mean the United States of America.

"Voting Stock", with respect to any Person, shall mean Capital Stock the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of a contingency.

Book-Entry System; Delivery and Form

The new notes are being offered and sold to qualified institutional buyers in reliance on Rule 144A ("Rule l44A new notes"). New notes also may be offered and sold in offshore transactions in reliance on Regulation S ("Regulation S new notes"). Except as set forth below, new notes will be issued in registered, global form in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess of U.S.$1,000. New notes will be issued at the closing of this offering only against payment in immediately available funds.

Rule 144A new notes initially will be represented by one or more notes in registered, global form without interest coupons (collectively, the "Rule l44A global new notes"). Regulation S new notes initially will be represented by one or more notes in registered, global form without interest coupons (collectively, the "Regulation S global new notes" and, together with the Rule 144A global notes, the "global new notes"). The global new notes will be deposited upon issuance with the Trustee as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the "restricted period"), beneficial interests in the Regulation S global new notes may be held only through the Euroclear System ("Euroclear") and

Clearstream Banking. S.A. ("Clearstream") (as indirect participants in DTC), unless transferred to a person that takes delivery through a Rule l44A global new note in accordance with the certification requirements described below. Beneficial interests in the Rule l44A global new notes may not be exchanged for beneficial interests in the Regulation S global new notes at any time except in the limited circumstances described below. See "—Exchanges Between Regulation S New Notes and Rule 144A New Notes."

Except as set forth below, the global new notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the global new notes may not be exchanged for new notes in certificated form except in the limited circumstances described below. See "—Exchange of Global New Notes for Certificated Notes." Except in the limited circumstances described below, owners of beneficial interests in the global new notes will not be entitled to receive physical delivery of new notes in certificated form.

Rule 144A new notes (including beneficial interests in the Rule 144A global new notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "Transfer Restrictions." Regulation S new notes will also bear the legend as described under "Transfer Restrictions." In addition, transfers of beneficial interests in the global new notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

Depository Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited purpose trust company created to hold securities for its participating organizations (collectively, the "participants") and to facilitate the clearance and settlement of transactions in those securities between participants through electronic book entry changes in accounts of its participants. The participants include securities brokers and dealers (including the initial purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain custodial relationship with a participant, either directly or indirectly (collectively, the "indirect participants"). Persons who are not participants may beneficially own securities held by or on behalf of DTC only through the participants or the indirect participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the participants and indirect participants.

DTC has also advised us that, pursuant to procedures established by it:

(1) upon deposit of the global new notes, DTC will credit the accounts of participants designated by the initial purchasers of the new notes with portions of the principal amount of the global new notes; and

(2) ownership of these interests in the global new notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the participants) or by the participants and the indirect participants (with respect to other owners of beneficial interests in the global new notes).

Investors in the Rule 144A global new notes who are participants in DTC's system may hold their interests therein directly through DTC. Investors in the Rule 144A global new notes that are not participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) which are participants in such system. Investors in the Regulation S global new notes must initially hold their interests therein through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants in such systems. After the expiration of the restricted period (but not earlier), investors may also hold interests in the Regulation S global new notes through participants in the DTC system other than Euroclear and Clearstream. Euroclear and Clearstream will hold interests in the Regulation S global new notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Citibank, N.A., as operator of Clearstream. All interests in a global new note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also

be subject to the procedures and requirements of such systems. The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a global new note to such persons will be limited to that extent. Because DTC can act only on behalf of participants, which in turn act on behalf of indirect participants, the ability of a person having beneficial interests in a global new note to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests. may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interests in the global new notes will not have new notes registered in their names, will not receive physical delivery of new notes in certificated form and will not be considered the registered owners or "new note holders" thereof under the indenture for any purpose.

Payments in respect of the principal of, and interest and premium and additional interest, if any, on a global new note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered new note holder under the indenture. Under the terms of the indenture, we and the Trustee will treat the persons in whose names the new notes, including the global new notes, are registered as the owners of the new notes for the purpose of receiving payments and for all other purposes. Consequently, neither we, the Trustee nor any agent of ours or the Trustee has or will have any responsibility or liability for:

(1) any aspect of DTC's records or any participant's or indirect participant's records relating to or payments made on account of beneficial ownership interest in the global new notes or for maintaining, supervising or reviewing any of DTC's records or any participant's or indirect participant's records relating to the beneficial ownership interests in the global new notes; or

(2) any other matter relating to the actions and practices of DTC or any of its participants or indirect participants.

DTC has advised us that its current practice, upon receipt of any payment in respect of securities such as the new notes (including principal and interest) is to credit the accounts of the relevant participants with the payment on the payment date unless DTC has reason to believe it will not receive payment on such payment date. Each relevant participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the participants and the indirect participants to the beneficial owners of new notes will be governed by standing instructions and customary practices and will be the responsibility of the participants or the indirect participants and will not be our responsibility or that of DTC or the Trustee. Neither we nor the Trustee will be liable for any delay by DTC or any of its participants in identifying the beneficial owners of the new notes, and we and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under "Transfer Restrictions," transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the new notes described herein, cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream as the case may be, by its respective depositary; however, such cross market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counter-party in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf of delivering or receiving interests in the relevant global new note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a new note holder only at the direction of one or more participants to whose account DTC has credited the interests in the global new notes and only in respect of such portion of the aggregate principal amount of the new notes as to which such participant or participants has or have given such direction. However, if there is an event of default under the new notes, DTC reserves the right to exchange the global new notes for legended new notes in certificated form, and to distribute such new notes to its participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Rule 144A global new notes and the Regulation S global new notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. Neither we nor the Trustee nor any of our or their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Global New Notes for Certificated New Notes

A global new note is exchangeable for definitive new notes in registered certificated form ("certificated new notes") if:

(1) DTC (a) notifies us that it is unwilling or unable to continue as depositary for the global new notes and DTC fails to appoint a successor depositary or (b) has ceased to be a clearing agency registered under the Exchange Act;

(2) we, at our option, notify the Trustee in writing that we elect to cause the issuance of the certificated new notes; or

(3) there has occurred and is continuing a Default with respect to the new notes.

In addition, beneficial interests in a global new note may be exchanged for certificated new notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the indenture. In all cases, certificated new notes delivered in exchange for any global new note or beneficial interests in global new notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in "Transfer Restrictions," unless that legend is not required by applicable Law.

Exchange of Certificated New Notes for Global New Notes

Certificated new notes may not be exchanged for beneficial interests in any global new note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such new notes. See "Transfer Restrictions."

Exchanges Between Regulation S New Notes and Rule 144A New Notes

Beneficial interests in the Regulation S global new note may be exchanged for beneficial interests in the Rule 144A global new note only if:

(1) such exchange occurs in connection with a transfer of the new notes pursuant to Rule 144A; and

(2) the transferor first delivers to the Trustee a written certificate (in the form provided in the indenture) to the effect that the new notes are being transferred to a person:

(a) who the transferor reasonably believes to be a qualified institutional buyer within the meaning of Rule 144A;

(b) purchasing for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; and

(c) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interest in a Rule 144A global new note may be transferred to a person who takes delivery in the form of an interest in the Regulation S global new note, whether before or after the expiration of the restricted period, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the indenture) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available) and that, if such transfer occurs prior to the expiration of the restricted period, the interest transferred will be held immediately thereafter through Euroclear or Clearstream.

Transfers involving exchanges of beneficial interests between the Regulation S global new notes and the Rule 144A global new notes will be effected in DTC by means of an instruction originated by the Trustee through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S global new note and a corresponding increase in the principal amount of the Rule 144A global new note or vice versa, as applicable. Any beneficial interest in one of the global new notes that is transferred to a person who takes delivery in the form of an interest in the other global new note will, upon transfer, cease to be an interest in such global new note and will become an interest in the other global new note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interest in such other global new note for so long as it remains such an interest. The policies and practices of DTC may prohibit transfers of beneficial interests in the Regulation S global new note prior to the expiration of the restricted period.

Same Day Settlement and Payment

We will make payments in respect of the new notes represented by the global new notes (including principal, premium, if any, interest and additional interest, if any) by wire transfer of immediately available funds to the accounts specified by the global new note holder. We will make all payments of principal, interest and premium and additional interest, if any, with respect to certificated new notes by wire transfer of immediately available funds to the accounts specified by the new note holders of the certificated new notes or, if no such account is specified, by mailing a check to each such new note holder's registered address. We expect that secondary trading in any certificated new notes will also be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a global new note from a participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement process (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised us that cash received in Euroclear or Clearstream as a result of sales of interest in a global new note by or through a Euroclear or Clearstream participant to a participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

The information in this subsection "—Same Day Settlement and Payment" concerning the Depositary, Euroclear and Clearstream and their respective book-entry systems has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

DESCRIPTION OF PRINCIPAL FINANCING DOCUMENTS

The following summary describes certain provisions of certain Security Documents and the Undertaking Agreement. The summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the applicable Security Documents and the Undertaking Agreement. The definitions of capitalized terms used in the following summary have the meanings ascribed to them in the Security Documents and the Undertaking Agreement, as applicable.

Security Documents

Issuer Share Pledge Agreements

Pursuant to the ODN Issuer Share Pledge Agreement and the Norbe VI Issuer Share Pledge Agreement, each dated as of August 6, 2013 and governed by the laws of the Cayman Islands, between the ODN Project Company and the Norbe VI Project Company, respectively, and the Collateral Agent, the relevant Project Company has pledged to the Collateral Agent, for the benefit of the Secured Parties, all of its equity interest and related ownership rights in the Issuer.

Pursuant to the ODN Tay IV Issuer Share Pledge Agreement, to be governed by the laws of the Cayman Islands, between the ODN Tay IV Project Company and the Collateral Agent, the ODN Tay IV Project Company will pledge to the Collateral Agent, for the benefit of the Secured Parties, all of its equity interest and related ownership rights in the Issuer.

Issuer Accounts Agreement

Pursuant to the Issuer Accounts Agreement, governed by the laws of England, among the Issuer, the Collateral Agent, the Offshore Accounts Bank and the Trustee, the Note Proceeds Account, the Note Debt Service Account and the Note Prepayment Account (or, collectively, the Issuer Accounts) have been established and the Issuer has agreed to the transfers of the amounts to and from such accounts in accordance with the terms of such agreement.

Issuer Offshore Security Agreement

Pursuant to the Issuer Offshore Security Agreement dated as of August 6, 2013, governed by the laws of England, between the Issuer and the Collateral Agent, the Issuer has assigned to the Collateral Agent with full title guarantee, for the benefit of the Secured Parties, all of its rights to the Issuer Accounts, the Intercompany Issuer Notes (as defined in the Description of Notes) and related rights, as well as fixed charges and floating charges including but not limited to balances from time to time standing to the credit of the Issuer Accounts, equipment, contract rights and governmental approvals (that have not been otherwise pledged, assigned or made subject to a security interest).

ODN Tay IV Issuer Offshore Security Agreement

Pursuant to the ODN Tay IV Issuer Offshore Security Agreement, to be governed by the laws of England, between the Issuer and the Collateral Agent, the Issuer will assign to the Collateral Agent with full title guarantee, for the benefit of the Secured Parties, all of its rights to the ODN Tay IV Intercompany Issuer Note.

Guarantor Accounts Agreement

Pursuant to the Collateral and Accounts Agreement dated as of August 6, 2013, governed by the laws of England, among the ODN Project Company, the Norbe VI Project Company, the Operator, the Offshore Accounts Bank, the Onshore Accounts Bank, the Collateral Agent and the Trustee, (1) the ODN I and ODN II Offshore Proceeds Account, the Norbe VI Offshore Proceeds Account, the ODN I and ODN II Offshore O&M Service Reserve Account, the Norbe VI Offshore O&M Service Reserve Account, the Offshore Debt Service Reserve Account, the Offshore Retention Account, the ODN I and ODN II Offshore Loss Proceeds and Compensation Account, the Norbe VI Offshore Loss Proceeds and Compensation Account, the ODN I and ODN II Offshore Disposition Proceeds Account, the Norbe VI Offshore Disposition Proceeds Account, the ODN I and ODN II Offshore Distribution Holding Account, the Norbe VI Offshore Distribution Holding Account, the Offshore Charter Termination Account, the Norbe VI Offshore Penalty Reserve Account (which is held solely by the Norbe VI Project Company) (together with the ODN Tay IV Collateral Accounts, collectively, the Guarantor Accounts), the

Offshore Distribution Accounts and the Guarantor O&M Service Accounts have been established and the Guarantors will agree to the transfers of the amounts to and from such accounts in accordance with the terms of such agreement (see "Description of Notes—Accounts—Guarantors' Accounts") and (2) the Onshore Proceeds and Service Account and the OOG O&M Service Account will be established, and the Operator will agree to the transfers of the amounts to and from such accounts in accordance with the terms of such agreement (see "Description of Notes—Accounts—Operator's Accounts").

Pursuant to a Joinder Agreement, the Project Companies, the Operator, the Offshore Accounts Bank, the Onshore Accounts Bank, the Collateral Agent and the Trustee, the ODN Tay IV Project Company will become a party to the Guarantor Accounts Agreement, the ODN Tay IV Offshore Proceeds Account, the ODN Tay IV Offshore O&M Service Reserve Account, the ODN Tay IV Offshore Loss Proceeds and Compensation Account, the ODN Tay IV Offshore Disposition Proceeds Account and the ODN Tay IV Offshore Distribution Holding Account (collectively, the "ODN Tay IV Collateral Accounts") will be established, the Offshore Sinking Fund Account will be established and will be jointly held by the Project Companies, and the Offshore Debt Service Reserve Account, the Offshore Charter Termination Account and the Offshore Retention Account will be jointly held by the Project Companies.

ODN I and ODN II Offshore Security Agreement. Norbe VI Offshore Security Agreement and ODN Tay IV Offshore Security Agreement

Pursuant to the ODN I and ODN II Offshore Security Agreement dated as of August 6, 2013, governed by the laws of England, between the ODN Project Company and the Collateral Agent, the ODN Project Company has assigned to the Collateral Agent with full title guarantee, all of its rights under the Charter and Services Agreements in respect of the Drillships, the rights under insurance policies relating to the Drillships, the Guarantor Accounts held by the ODN Project Company, as well as fixed charges and floating charges including but not limited to balances from time to time standing to the credit of the Guarantor Accounts held by the ODN Project Company, equipment, contract rights and governmental approvals (that have not been otherwise pledged, assigned or made subject to a security interest).

Pursuant to the Norbe VI Offshore Security Agreement dated as of August 6, 2013, governed by the laws of England, between the Norbe VI Project Company and the Collateral Agent, the Norbe VI Project Company has assigned to the Collateral Agent with full title guarantee, all of its rights under the Norbe VI Charter Agreement and the Norbe VI Services Agreement, the rights under insurance policies relating to the Norbe VI Drilling Rig, the Guarantor Accounts held by the Norbe VI Project Company, as well as fixed charges and floating charges including but not limited to balances from time to time standing to the credit of the Guarantor Accounts held by the Norbe VI Project Company, equipment, contract rights and governmental approvals (that have not been otherwise pledged, assigned or made subject to a security interest).

Pursuant to the ODN Tay IV Offshore Security Agreement, to be governed by the laws of England, between the ODN Tay IV Project Company and the Collateral Agent, the ODN Tay IV Project Company will assign to the Collateral Agent with full title guarantee, all of its rights under the ODN Tay IV Charter Agreement and the ODN Tay IV Services Agreement, the rights under insurance policies relating to the ODN Tay IV Drilling Rig, the Guarantor Accounts held by the ODN Tay IV Project Company, as well as fixed charges and floating charges including but not limited to balances from time to time standing to the credit of the Guarantor Accounts held by the ODN Tay IV Project Company, equipment, contract rights and governmental approvals (that have not been otherwise pledged, assigned or made subject to a security interest).

Conditional Assignments of Contract

Pursuant to the ODN I, ODN II and Norbe VI Conditional Assignment of Contract, dated as of August 6, 2013 (to be amended in connection with the issuance of the new notes to include the obligations of the Issuer and the Guarantors in respect of the new notes as secured obligations thereunder), governed by the laws of Brazil, between the Operator and the Collateral Agent, the Operator will provide a conditional assignment to the Collateral Agent, for the benefit of the Secured Parties, of the Services Agreements in respect of the Drillships and the Norbe VI Drilling Rig. The implementation of such assignment will be conditioned on the occurrence of an Event of Default.

Pursuant to the ODN Tay IV Conditional Assignment of Contract, to be governed by the laws of Brazil, between the Operator and the Collateral Agent, the Operator will provide a conditional assignment to the Collateral Agent, for the benefit of the Secured Parties, of the ODN Tay IV Services Agreement. The implementation of such assignment will be conditioned on the occurrence of an Event of Default.

Onshore Security Agreements

Pursuant to the Onshore Security Agreement, dated as of August 6, 2013 (to be amended in connection with the issuance of the new notes to include the obligations of the Issuer and the Guarantors in respect of the new notes as secured obligations thereunder), governed by the laws of Brazil, among the Operator, the Onshore Accounts Bank and the Collateral Agent, the Operator will provide a transfer of fiduciary ownership, and grant a security interest over the Operator's present and future credit rights with respect to the Onshore Proceeds and Service Account and its credit rights under the Services Agreements in respect of the Drillships and the Norbe VI Drilling Rig.

Pursuant to the ODN Tay IV Onshore Security Agreement, to be governed by the laws of Brazil, among the Operator, the Onshore Accounts Bank and the Collateral Agent, the Operator will provide a transfer of fiduciary ownership, and grant a security interest over the Operator's present and future credit rights with respect to its credit rights under the ODN Tay IV Services Agreement.

Odebrecht Oil and Gas GmbH Pledge Agreement, ODN Holding GmbH Pledge Agreement and ODN Tay IV Holding GmbH Pledge Agreement

Pursuant to the Odebrecht Oil & Gas GmbH Pledge Agreement dated as of August 6, 2013 (to be amended in connection with the issuance of the new notes to include the obligations of the Issuer and the Guarantors in respect of the new notes as secured obligations thereunder), governed by the laws of Austria, between Odebrecht Oil & Gas GmbH and the Collateral Agent, Odebrecht Oil & Gas GmbH has granted a security interest to the Collateral Agent, for the benefit of the Secured Parties, in all of its equity interest and related ownership rights in the Norbe VI Project Company.

Pursuant to the ODN Holding GmbH Pledge Agreement dated as of August 6, 2013 (to be amended in connection with the issuance of the new notes to include the obligations of the Issuer and the Guarantors in respect of the new notes as secured obligations thereunder), governed by the laws of Austria, between ODN Holding GmbH and the Collateral Agent, Odebrecht Oil & Gas GmbH has granted a security interest to the Collateral Agent, for the benefit of the Secured Parties, in all of its equity interest and related ownership rights in the ODN Project Company.

Pursuant to the ODN Tay IV Holding GmbH Pledge Agreement, to be governed by the laws of Austria, between ODN Tay IV Holding GmbH and the Collateral Agent, ODN Tay IV Holding GmbH will grant a security interest to the Collateral Agent, for the benefit of the Secured Parties, in all of its equity interest and related ownership rights in the ODN Tay IV Project Company.

ODN I Mortgage, ODN II Mortgage, Norbe VI Mortgage and ODN Tay IV Mortgage

Pursuant to the ODN I Mortgage and the ODN II Mortgage or, collectively, the ODN Mortgages, each dated as of August 6, 2013 and governed by the laws of The Commonwealth of the Bahamas, the ODN Project Company has provided a mortgage of its interest in each Drillship.

Pursuant to the Norbe VI Mortgage dated as of August 6, 2013 (to be amended in connection with the issuance of the new notes to include the obligations of the Issuer and the Guarantors in respect of the new notes as secured obligations thereunder), governed by the laws of Panama, the Norbe VI Project Company has provided a mortgage of its interest in the Norbe VI Drilling Rig.

Pursuant to the ODN Tay IV Mortgage, to be governed by the laws of the Marshall Islands, the ODN Tay IV Project Company will provide a mortgage of its interest in the ODN Tay IV Drilling Rig.

Undertaking Agreement

Pursuant to the Undertaking Agreement dated as of August 6, 2013, governed by the laws of the State of New York, among the Operator, the Trustee and the Collateral Agent, the Operator has agreed, among other things, (1) to be replaced as operator under the Services Agreements, upon request of the Collateral Agent, if at any time the Combined Historical Debt Service Coverage Ratio as of 12 consecutive Quarterly Dates, in each case for the twelve-month period ending on each such Quarterly Date is less than 1.15; (2) to be solely responsible for any cost of operation of each of the Vessels, in each case, in accordance with the Services Agreement relating to such Vessel, in excess of amounts paid to the OOG O&M Service Account in respect of such Vessel and the Guarantor O&M Service Account held by the Project Company that is the owner of such Vessel pursuant to the Guarantor Accounts Agreement; (3) to provide certain notices and other information to the Trustee and the Collateral Agent with respect

to the Services Agreements; and (4) to make capital contributions to the Guarantors to cover the cost of any penalty set-off by Petrobras against payments under the Charter Agreements.

Pursuant to an amendment to the Undertaking Agreement to be governed by the laws of the State of New York, among the Operator, the Trustee and the Collateral Agent, the Operator will agree to make capital contributions to the Guarantors to cover the full amount of the costs of any upgrades required to be made pursuant to the terms of the Additional Settlement Agreement.

TAXATION

The following discussion summarizes certain Cayman, Austrian and U.S. federal income tax considerations that may be relevant to the ownership and disposition of the new notes. This summary does not describe all of the tax considerations that may be relevant to you or your situation, particularly if you are subject to special tax rules. Persons considering acquiring the new notes should seek their own advice based on their particular circumstances from an independent tax adviser.

Cayman Islands Taxation Considerations

The following discussion of certain Cayman Islands income tax consequences of an investment in the new notes is based on the advice of Maples and Calder as to Cayman Islands law. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

The following is a general summary of Cayman Islands taxation in relation to the new notes.

Under existing Cayman Islands Laws:

(i) Payments of interest and principal on the new notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal to any holder of the new notes nor will gains derived from the disposal of the new notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

(ii) No stamp duty is payable in respect of the issue of the new notes (as registered notes). An instrument of transfer in respect of a note is stampable if executed in or brought into the Cayman Islands.

The Issuer has been incorporated under the laws of the Cayman Islands as an exempted company and, as such, has applied for and expects to obtain an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:

"The Tax Concessions Law
2011 Revision
Undertaking as to Tax Concessions

In accordance with the provision of Section 6 of The Tax Concession Law (2011 Revision), the Governor in Cabinet undertakes with:

The issuer "the Company",

(a) that no law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:

(i) on or in respect of the shares, debentures or other obligations of the Company; or

(ii) by way of the withholding in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2011 Revision).

These concessions shall be for a period of twenty years from the date hereof."

Austrian Taxation Considerations

The following discussion of certain Austrian tax consequences of an investment in the new notes is based on present Austrian law and is subject to prospective and retroactive change and is given under the assumption that the holders of the new notes are not Austrian tax residents. The discussion is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Austrian law.

Withholding tax in case income related to the new notes is received via a securities depository or paying agent located in Austria

Income including capital gains derived from the new notes by individuals who do not have a domicile or their habitual abode in Austria or by corporate investors who do not have their corporate seat or their place of management in Austria ("non-residents") is not taxable in Austria provided that the income is not attributable to an Austrian permanent establishment (for withholding tax under the EU Savings Directive see below). Thus, non-resident holders of the new notes — in case they receive income or capital gains from the new notes through a securities depository or paying agent located in Austria — may avoid the application of Austrian withholding tax if they evidence their non-resident status vis-à-vis the paying agent by disclosing their identity and address. The provision of evidence that a holder of new notes is not subject to Austrian withholding tax is the responsibility of the holder of the new notes. If Austrian withholding tax is deducted by the securities depository or paying agent, the tax withheld shall be refunded to the non-resident holder of new notes upon his application which has to be filed with the competent Austrian tax authority within five calendar years following the end of the year of the imposition of the withholding tax. The Issuer does not assume responsibility for Austrian withholding tax at source and is not obligated to make additional payments in case of withholding tax deductions at source.

EU Savings Directive

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments, or the EU Savings Directive, provides for an exchange of information between the authorities of EU member states regarding interest payments made by a paying agent in one member state to beneficial owners who are individuals and resident for tax purposes in another member state. Austria has implemented the EU Savings Directive by way of the EU Withholding Tax Act (*EU Quellensteuergesetz*) which provides for a withholding tax rather than for an exchange of information. Such EU withholding tax is levied on interest payments within the meaning of the EU Withholding Tax Act made by a paying agent located in Austria to an individual resident for tax purposes in another member state or (pursuant to related agreements) in certain dependent and associated territories. The EU withholding tax currently amounts to 35%. No EU withholding tax is deducted if the holder of new notes provides the Austrian paying agent with a certificate drawn up in his name by the tax office of his state of residence. Such certificate has to indicate, among other things, the name and address of the paying agent as well as the bank account number of the holder of new notes or the identification of the new notes. The Issuer does not assume responsibility for EU withholding tax at source and is not obligated to make additional payments in case of withholding tax deductions at source.

Note Guarantees

The Project Companies, which are resident in Austria, will provide the Note Guarantees with respect to the new notes. In the event of the triggering of such guarantees, the holders of the new notes might therefore be entitled to receive payments of interest and/or principal from the Project Companies. Under current Austrian tax law such payments of interest and principal on the new notes made to non-residents will not be subject to taxation in Austria and no withholding will be required on the payment of interest and principal to any holder of the new notes nor will gains derived from the disposal of the new notes be subject to Austrian income or corporation tax only by reason of such payments being made by any Project Company.

Certain U.S. Federal Income Tax Considerations

This disclosure is limited to the U.S. federal tax issues addressed herein. Additional issues may exist that are not addressed in this disclosure and that could affect the U.S. federal tax treatment of the new notes. This tax disclosure was written in connection with the promotion or marketing of the new notes, and it cannot be used by any holder for the purpose of avoiding penalties that may be asserted against the holder under the Internal Revenue Code of 1986, as amended (the "Code"). Persons considering acquiring the new notes should seek their own advice based on their particular circumstances from an independent tax adviser.

The following is a general description of certain United States federal tax consequences of the ownership and disposition of the new notes to U.S. holders (as defined below). This discussion applies only to new notes that meet both of the following conditions:

- they are purchased by initial investors who purchase new notes at their "issue price," which will equal the first price to investors (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at which a substantial amount of the new notes is sold for money; and
- they are held as capital assets for U.S. federal income tax purposes.

This discussion does not describe all of the tax consequences that may be relevant to holders in light of their particular circumstances, including Medicare contribution tax consequences, or consequences to U.S. holders subject to special rules, such as:

- certain financial institutions;
- insurance companies;
- dealers or certain traders in securities;
- persons holding new notes as part of a straddle, wash sale, conversion transaction or other integrated transaction;
- persons whose functional currency is not the U.S. dollar;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities;
- persons subject to the alternative minimum tax; or
- persons carrying on a trade or business in a Relevant Jurisdiction through a permanent establishment.

If an entity that is classified as a partnership for U.S. federal income tax purposes beneficially owns the new notes, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships that beneficially own new notes and partners therein should consult their tax advisers as to the particular U.S. federal income tax consequences of owning and disposing of the new notes.

This summary is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations, changes to any of which subsequent to the date of this offering circular may affect the tax consequences described herein. This summary does not address any aspect of state, local or non-U.S. taxation, or any taxes other than income taxes. Persons considering the purchase of new notes are urged to consult their tax advisers with regard to the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences arising under other federal tax laws or the laws of any state, local or foreign taxing jurisdiction.

As used herein, the term "U.S. holder" means a beneficial owner of a new note that is for United States federal income tax purposes:

- a citizen or individual resident of the United States;

- a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia; or

- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

In certain circumstances, the Issuer or Guarantors may be obligated to pay U.S. holders amounts in excess of the stated interest and principal payable on the new notes or may be permitted or required to accelerate or defer payments on the new notes, including pursuant to an offer to repurchase new notes. For example, upon a Change of Control, each holder will have the right to require the Issuer to repurchase the new notes at 101% of their principal amount plus accrued and unpaid interest. The Issuer intends to take the position that the possibility of such payments or changes in the timing of payment on the new notes does not result in the new notes being treated as "contingent payment debt instruments" under the applicable Treasury Regulations. The Issuer's position is not binding on the Internal Revenue Service (the "IRS"). If the IRS takes a contrary position from that described above, a U.S. holder may be required to accrue interest income on the new notes based upon a "comparable yield," regardless of the holder's method of tax accounting. In addition, any gain on the sale, exchange, retirement or other taxable disposition of the new notes would be characterized as ordinary income. U.S. holders should consult their tax advisers regarding the tax consequences of the new notes being treated as contingent payment debt instruments. The remainder of this discussion assumes that the new notes are not treated as contingent payment debt instruments.

Payments of Interest and Principal

Interest paid on a new note (including any Additional Amounts) will be taxable to a U.S. holder as ordinary interest income at the time it accrues or is received, in accordance with the U.S. holder's method of accounting for federal income tax purposes. Payments of principal on the new notes will not be taxable but will reduce a U.S. holder's basis with respect to such note. It is expected, and this discussion assumes, that the new notes will be issued without "original issue discount" for U.S. federal income tax purposes. If, however, a new note's principal amount exceeds its issue price by an amount that does not satisfy a *de minimis* test, a U.S. holder will be required to include the excess in income as "original issue discount," as it accrues, in accordance with a constant-yield method based on a compounding of interest, before the receipt of cash payments attributable to this income.

Interest income with respect to a new note will constitute foreign-source income for U.S. federal income tax purposes, which may be relevant in calculating a U.S. holder's foreign tax credit limitation. The limitation on foreign taxes eligible for credit is calculated separately with respect to two specific classes of income. For this purpose, interest income on the new notes will constitute "passive category income" for most U.S. holders. The rules governing foreign tax credits are complex and, therefore, U.S. holders should consult their own tax advisers regarding the availability of foreign tax credits in their particular circumstances.

Sale, Exchange or Retirement of the Notes

Upon the sale, exchange or retirement of a new note, a U.S. holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the U.S. holder's adjusted tax basis in the new note. For these purposes, the amount realized does not include any amount attributable to accrued interest, which is treated as interest as described above under "—Payments of Interest and Principal." A U.S. holder's adjusted tax basis in a new note will generally equal the cost of such note to the U.S. holder (increased by any amounts required to be included in gross income as original issue discount and decreased by the amount of any payments other than stated interest, including payments of principal received on the new note). Gain or loss, if any, realized on the sale, exchange or retirement of a new note will generally be capital gain or loss and will generally be long-term capital gain or loss if at the time of sale, exchange or retirement the new note has been held for more than one year. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS in connection with payments on the new notes and the proceeds from a sale or other disposition of the new notes. A U.S. holder may be subject to backup withholding on these payments if the U.S. holder fails to provide its taxpayer identification number to the paying agent and comply with certain certification procedures or otherwise establish an exemption from backup withholding. The amount of any backup withholding from a payment to a U.S. holder will be allowed as a credit against the U.S. holder's U.S. federal income tax liability and may entitle the U.S. holder to a refund, provided that the required information is timely furnished to the IRS.

BENEFIT PLAN INVESTOR CONSIDERATIONS

The new notes may be purchased and held by an employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or by an individual retirement account or other plan subject to Section 4975 of the Code. A fiduciary of an employee benefit plan subject to ERISA must determine that the purchase and holding of a new note is consistent with its fiduciary duties under ERISA. The fiduciary of an ERISA plan, as well as any other prospective investor subject to Section 4975 of the Code or any similar law, must also determine that its purchase and holding of the new notes does not result in a non-exempt prohibited transaction as defined in Section 406 of ERISA or Section 4975 of the Code or similar law. Each purchaser and transferee of a new note who is subject to ERISA and/or Section 4975 of the Code or a similar law will be deemed to have represented by its acquisition and holding of the new note that its acquisition and holding of the new notes does not constitute or give rise to a non-exempt prohibited transaction under ERISA, Section 4975 of the Code or any similar law.

PLAN OF DISTRIBUTION

Under the terms and subject to the conditions contained in a purchase agreement dated February 20, 2014, the Issuer has agreed to sell to the several initial purchasers named below, and the initial purchasers have severally agreed to purchase from us, the following respective principal amounts of the new notes:

Initial Purchasers	Principal Amount
Santander Investment Securities Inc.	U.S.$ 96,667,000
HSBC Securities (USA) Inc.	96,667,000
BNP Paribas Securities Corp.	96,667,000
Banco Bradesco BBI S.A.	96,667,000
Itau BBA USA Securities, Inc.	96,666,000
Morgan Stanley & Co. LLC	96,666,000
Total	U.S.$580,000,000

Bradesco Securities Inc. will act as agent of Banco Bradesco BBI S.A. for sales of the new notes in the United States of America. Banco Bradesco BBI S.A. is not a broker-dealer registered with the U.S. Securities and Exchange Commission, and therefore may not make sales of any new notes in the United States to U.S. persons. Banco Bradesco BBI S.A. and Bradesco Securities Inc. are affiliates of Banco Bradesco S.A.

The initial purchasers have advised us that they propose to initially offer the new notes at the offering price indicated on the cover page of this offering circular and to resell such new notes to purchasers as described under "Transfer Restrictions." After the initial offering of the new notes offered hereby, the offering price and other selling terms may from time to time be varied by the initial purchasers. The purchase agreement provides that the obligation of the initial purchasers to pay for and accept delivery of the new notes is subject to, among other conditions, the delivery of certain legal opinions by our counsel. The offering of the new notes by the initial purchasers is subject to receipt and acceptance and subject to the initial purchasers' right to reject any order in whole or in part. Credit Agricole Securities (USA) Inc. and Mitsubishi UFJ Securities (USA), Inc., or the co-managers, will act as co-managers for the offering.

The purchase agreement provides that the initial purchasers are obligated to purchase all of the new notes if any are purchased. The purchase agreement also provides that, if an initial purchaser defaults, the purchase commitments of non-defaulting initial purchasers may be increased or the offering may be terminated. The purchase agreement also provides that we, on one hand, and initial purchasers and co-managers, on the other hand, will severally indemnify each other against certain liabilities, including liabilities under the Securities Act, and will contribute to payments the other may be required to make in respect thereof.

The placement of the new notes in the United States will be made by U.S. registered broker-dealers. Some of the agents in this offering are not registered broker dealers in the United States, and to the extent that they intend to effect any placement of the new notes in the United States, they may do so only through U.S. registered broker dealers.

The new notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except to qualified institutional buyers in reliance on Rule 144A under the Securities Act and to persons in offshore transactions in reliance on Regulation S under the Securities Act. Each of the initial purchasers has agreed that, except as permitted by the purchase agreement, it will not offer, sell or deliver the new notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each broker/dealer to which it sells the new notes in reliance on Regulation S during such 40 day period, a confirmation or other notice detailing the restrictions on offers and sales of the new notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act. Resales of the new notes are restricted as described under "Transfer Restrictions."

In addition, until 40 days after the commencement of the offering, an offer or sale of new notes within the United States by a broker/dealer (whether or not it is participating in the offering), may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to Rule 144A.

Stabilizing Activities

In connection with the offering the initial purchasers, may engage in stabilizing transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act.

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

- Syndicate covering transactions involve purchases of the new notes in the open market after the distribution has been completed in order to cover syndicate short positions. A short position is more likely to be created if the initial purchasers are concerned that there may be downward pressure on the price of the new notes in the open market after pricing that could adversely affect investors who purchase in the offering.

- Penalty bids permit the initial purchasers to reclaim a selling concession from a syndicate member when the new notes originally sold by the syndicate member are purchased in a stabilizing transaction or a syndicate covering transaction to cover syndicate short positions.

- In passive market making, market makers in the new notes who are initial purchasers or prospective initial purchasers may, subject to limitations, make bids for or purchases of the new notes until the time, if any, at which a stabilizing bid is made.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of the new notes or preventing or retarding a decline in the market price of the new notes. As a result the price of the new notes may be higher than the price that might otherwise exist in the open market. These transactions, if commenced, may be discontinued at any time.

Relationship with the Initial Purchasers and Co-Managers

The initial purchasers, the co-managers and their respective affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The initial purchasers, the co-managers or their respective affiliates have from time to time provided, and may in the future provide, investment banking, commercial banking and financial advisory services to us and our affiliates, for which they have received or will receive customary compensation.

In the ordinary course of their various business activities, the initial purchasers, the co-managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. The initial purchasers, the co-managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. If any of the initial purchasers, the co-managers or their respective affiliates has a lending relationship with us, certain of those initial purchasers, co-managers or their respective affiliates routinely hedge, and certain other of those initial purchasers, co-managers or their respective affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these initial purchasers, the co-managers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the new notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the new notes offered hereby.

Certain initial purchasers, co-managers and/or their affiliates are holders of existing notes issued by our affiliates and/or lenders under our affiliates' revolving facilities, term loans or other financings. An affiliate of HSBC Securities (USA) Inc. is a lender and hedge provider under the ODN Tay IV Credit Facility. An affiliate of BNP Paribas Securities Corp. is the administrative agent, collateral trustee, lender and hedge provider under the ODN Tay IV Credit Facility. An affiliate of Santander Investment Securities Inc. is a lender and hedge provider under the ODN Tay IV Credit Facility.

Listing and Trading

Although the initial notes are currently listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF, the new notes will be treated as a separated series and will have different ISIN and CUSIP numbers from and will not be fungible for trading purposes with the initial notes. The new notes are a new issue of securities with no established trading market. Application has been made to list the new notes on the Official List of the Luxembourg Stock Exchange and admit the new notes for trading on the Euro MTF. One or more of the initial purchasers intend to make a secondary market for the new notes. However, they are not obligated to do so and may discontinue making a secondary market for the new notes at any time without notice. No assurance can be given as to how liquid the trading market for the new notes will be, whether an active public market for the new notes will develop or whether the initial prices at which the new notes will sell in the market after this offering will not be lower than the initial offering price. If an active public trading market for the new notes does not develop, the market price and liquidity of the new notes may be adversely affected.

Selling Restrictions

The new notes are offered for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers.

The new notes may not be offered, sold or delivered, directly or indirectly, nor may this offering circular or any other offering material relating to the new notes be distributed, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on us except as set forth in the purchase agreement.

Brazil

The new notes have not been, and will not be, registered with the CVM. The new notes may not be offered or sold in Brazil, except in circumstances that do not constitute a public offering or distribution of securities under Brazilian laws and regulations.

Cayman Islands

No invitation, whether directly or indirectly, may be made to the public in the Cayman Islands to subscribe for new notes unless at the time of invitation the issuer is listed on the Cayman Islands Stock Exchange.

Peru

The new notes and the information contained in this offering circular are not being publicly marketed or offered in Peru and will not be distributed or caused to be distributed to the general public in Peru. Peruvian securities laws and regulations on public offerings will not be applicable to the offering of the new notes and therefore, the disclosure obligations set forth therein will not be applicable to the issuer or the sellers of the notes before or after their acquisition by prospective investors. The new notes and the information contained in this offering circular have not been and will not be reviewed, confirmed, approved or in any way submitted to the Peruvian Superintendency of Capital Markets (*Superintendencia del Mercado de Valores*) nor have they been registered under the Securities Market Law (*Ley del Mercado de Valores*) or any other Peruvian regulations. Accordingly, the new notes cannot be offered or sold within Peruvian territory except to the extent any such offering or sale qualifies as a private offering under Peruvian regulations and complies with the provisions on private offerings set forth therein.

We intend to register the new notes with the Foreign Investment and Derivatives Instruments Registry (*Registro de Instrumentos de Inversión y de Operaciones de Cobertura de Riesgo Extranjeros*) of the Peruvian Superintendency of Banking, Insurance and Private Pension Funds (*Superintendencia de Bancos, Seguros y Administradoras Privadas de Fondos de Pensiones*) in order to make the new notes eligible for investment by Peruvian Private Pension Funds Administrators. The new notes may not be offered or sold in the Republic of Peru except in compliance with the securities law thereof.

United Kingdom

Each of the initial purchasers severally represents and agrees that:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the new notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the new notes in, from or otherwise involving the United Kingdom.

European Economic Area

In relation to each Member State of the European Economic Area ("EEA"), which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, or the Relevant Implementation Date, an offer of new notes which are the subject of the offering contemplated by this offering circular may not be made to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the initial purchasers; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of new notes shall require the Issuer or any initial purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of notes to the public" in relation to any new notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the new notes to be offered so as to enable an investor to decide to purchase or subscribe the new notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Japan

The new notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended (the "FIEA") and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

This offering circular has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong.

No person may offer or sell in Hong Kong, by means of any document, any new notes other than (1) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (2) in other circumstances which do not result in the document being a "prospectus"

as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance.

No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the new notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to new notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

This offering circular has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS") under the Securities and Futures Act, Chapter 289 of Singapore (the "Securities and Futures Act"). Accordingly, the new notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this offering circular or any other document or material in connection with the offer or sale or invitation for subscription or purchase of such new notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Each of the following relevant persons specified in Section 275 of the Securities and Futures Act which has subscribed or purchased notes, namely a person who is:

(i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the notes under Section 275 of the Securities and Futures Act except:

(A) to an institutional investor under Section 274 of the Securities and Futures Act or to a relevant person, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions, specified in Section 275 of the Securities and Futures Act;

(B) where no consideration is given for the transfer; or

(C) by operation of law.

Germany

Each person who is in possession of this offering circular is aware of the fact that no German sales prospectus (*Verkaufsprospekt*) within the meaning of the Securities Sales Prospectus Act (*Wertpapier-Verkaufsprospektgesetz*, the "Act") of the Federal Republic of Germany has been or will be published with respect to the new notes. Consequently, the new notes may not be distributed in Germany by way of a public offering in (*offentliches Angebot*) within the meaning of the Act with respect to any of the new notes otherwise than in accordance with the Act and all other applicable legal and regulatory requirements.

France

No new notes have been offered or sold or will be offered or sold, directly or indirectly, to the public in France, and have not been distributed or caused to be distributed and will not be distributed or caused to be distributed to the public in France. This offering circular or any other offering material relating to the new notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) other

than individuals, and/or (c) a restricted group of investors (*cercle resteint d'investisseurs*), all as defined in, and in accordance with, articles L.411-1, L.411-2, D.411-1 and D.411-2 of the French *Code monétaire et financier*.

The Netherlands

No new notes have been or will be offered to the public in the Netherlands, except that new notes may be offered:

(a) in the period beginning on the date of publication of a prospectus in relation to those new notes which has been approved by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, hereinafter the "AFM") or, where appropriate, approved by the competent authority in another EEA Member State and notified to the AFM, all in accordance with the Dutch Financial Supervision Act (Wet financieel toezicht) as amended from time to time (hereinafter the "Financial Supervision Act") and its implementing measures, and ending on the date which is 12 months after the date of such publication, provided that the requirements concerning the announcement of the offer and the updating of the prospectus as laid down in the Financial Supervision Act have been met;

(b) at any time to individuals or legal entities who or which qualify as qualifying investors within the meaning of the Financial Supervision Act;

(c) at any time in any other circumstances where an exception, exemption or dispensation from the requirement to make a prospectus publicly available applies or has been granted pursuant to Article 5.2 or 5:5 of the Financial Supervision Act.

For the purposes of this provision, the expression an "offer of new notes to the public" means: making a sufficiently specific offer, directly or indirectly, to more than one individual or legal entity, concerning the sale or acquisition of securities, or inviting an individual or legal entity to make an offer in respect of such securities.

Luxembourg

The new notes may not be offered or sold to the public in the Grand Duchy of Luxembourg, directly or indirectly, and, neither this offering circular nor any other circular, prospectus, form of application, advertisement, communication or other material may be distributed, or otherwise made available in, or from or published in, the Grand Duchy of Luxembourg, except for the sole purpose of the admission to trading and listing of the new notes on the Luxembourg Stock Exchange and except in circumstances which do not constitute a public offer of securities to the public.

Portugal

No document, circular, advertisement or any offering material in relation to the new notes has been or will be subject to approval by the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*), the "CMVM." The new notes may not be offered, advertised or sold or delivered and will not directly or indirectly be offered, advertised, sold, re-sold, re-offered or delivered in circumstances which could qualify as a public offer (*oferta pública*) of securities pursuant to the Portuguese Securities Code (*Código dos Valores Mobiliários*, the "PSC"), and/or in circumstances which could qualify the issue of the new notes as an issue or public placement of securities in the Portuguese market. The new notes , have not been directly or indirectly, distributed and will not be, directly or indirectly, distributed to the public the offering circular or any document, circular, advertisements or any offering material. All offers, sales and distributions of the notes have been and may only be made in Portugal in circumstances that, pursuant to the PSC, qualify as a private placement of notes (*oferta particular*), all in accordance with the PSC. Pursuant to the PSC the private placement in Portugal or near Portuguese residents of new notes by public companies (*sociedades abertas*) or by companies that are issuers of securities listed on a market needs to be notified to the CMVM for statistical purposes. Any offer or sale of the new notes in Portugal must comply with all applicable provisions of the PSC and any applicable CMVM Regulations and all relevant Portuguese laws and regulations, in any such case that may be applicable to it in respect of any offer or sales of the new notes by it in Portugal. The placement of new notes must comply with all applicable laws and regulations in force in Portugal and with the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended, regarding the placement of any new notes in the Portuguese jurisdiction or to any entities which are resident in Portugal, including the publication of a prospectus, when applicable, and that such placement shall only be authorized and performed to the extent that there is full compliance with such laws and regulations.

Switzerland

This offering circular does not constitute an issue prospectus pursuant to Article 652a or Article 1,156 of the Swiss Code of Obligations. The new notes will not be listed on the SIX Swiss Exchange and, therefore, this offering circular may not comply with the disclosure standards of the listing rules (including any additional listing rules or prospectus schemes) of the SIX Swiss Exchange. Accordingly, the new notes may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors, which do not subscribe to the new notes with a view to distribution. The prospective investors must be individually approached by a dealer from time to time.

Austria

This offering circular serves marketing purposes and constitutes neither an offer to sell nor a solicitation to buy any securities. There is no intention to make a public offer in Austria. Should a public offer be made in Austria, a prospectus prepared in accordance with the Austrian Capital Market Act (*Kapitalmarktgesetz*) and approved by or notified to the Austrian Financial Market Authority (FMA) will be published. The new notes may only be offered in the Republic of Austria in compliance with the provisions of the Austrian Capital Market Act and any other laws applicable in the Republic of Austria governing the offer and sale of the new notes in the Republic of Austria. The new notes are not registered or otherwise authorized for public offer under the Capital Market Act or any other relevant securities legislation in Austria. The recipients of this offering circular and other selling materials in respect of the new notes have been individually selected and identified before the offer being made and are targeted exclusively on the basis of a private placement. Accordingly, the new notes may not be, and are not being, offered or advertised publicly or offered similarly under either the Capital Market Act or any other relevant securities legislation in Austria. This offering circular has been issued to each prospective investor for its personal use only. Accordingly, recipients of this offering circular are advised that this offering circular and any other selling materials in respect of the new notes shall not be passed on by them to any other person in Austria.

TRANSFER RESTRICTIONS

The new notes (including the Note Guarantees) have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the new notes are being offered and sold only to (1) ”qualified institutional buyers” (as defined in Rule 144A under the Securities Act) (“QIBs”) in compliance with Rule 144A and (2) outside the United States to persons other than U.S. persons (“foreign purchasers”), which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners (other than an estate or trust), in reliance upon Regulation S under the Securities Act.

By its purchase of new notes, each purchaser of new notes will be deemed to:

(1) represent that it is purchasing the new notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is (a) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A or (b) a foreign purchaser that is outside the United States (or a foreign purchaser that is a dealer or other fiduciary as referred to above);

(2) acknowledge that the new notes have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(3) if it is a person other than a foreign purchaser outside the United States, agree that if it should resell or otherwise transfer the new notes, it will do so only (a) to us, (b) to a QIB in compliance with Rule 144A, (c) outside the United States in compliance with Rule 904 under the Securities Act or (d) pursuant to an exemption from registration under the Securities Act (if available);

(4) agree that it will deliver to each person to whom it transfers new notes notice of any restriction on transfer of such notes;

(5) if it is a foreign purchaser outside the United States, (a) understand that the new notes will be represented by the Regulation S global note and that transfers are restricted and (b) represent and agree that it will not sell short or otherwise sell, transfer or dispose of the economic risk of the new notes into the United States or to a U.S. person; if it is a QIB, it understands that the new notes offered in reliance on Rule 144A will be represented by the restricted global note;

(6) understand that until registered under the Securities Act, the new notes (other than those issued to foreign purchasers or in substitution or exchange therefor) will bear a legend to the following effect unless otherwise agreed by us and the purchaser:

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER

(1) REPRESENTS THAT

(A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT OR

(B) IT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT); AND

(2) AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ONLY

(A) TO THE ISSUER,

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT,

(C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT,

(D) IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR

(E) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH 2(E) ABOVE, THE ISSUER RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY RULE 144 EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT;

(7) acknowledge that we and the initial purchasers will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements, and agree that if any of the acknowledgements, representations or warranties deemed to have been made by it by its purchase of new notes is no longer accurate, it shall promptly notify us and the initial purchasers; and if it is acquiring new notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and they have full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account; and

(8) represent by its purchase and holding of any notes that (a) its purchase and holding of a new note is not made on behalf of or with "plan assets" of any plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or any federal, state or local law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code ("Similar Law") or (b) its purchase and holding of a new note will not result in a non-exempt prohibited transaction under Section 406 of ERISA, Section 4975 of the Code or any Similar Law.

LISTING AND GENERAL INFORMATION

1. The new notes have been accepted for clearance through DTC and its participants' accounts for Euroclear and Clearstream, Luxembourg.

The CUSIP, Common Code and ISIN numbers for the new notes are as follows:

	Restricted Global Note	Regulation S Global Note
CUSIP	67576G AB3	G6711K AB1
Common Codes	103995655	103995736
ISIN	US67576GAB32	USG6711KAB10

2. Copies of the Project Companies' latest audited annual combined financial statements and combined condensed unaudited interim financial information may be obtained at the offices of the paying agent and any other paying agent, including the Luxembourg paying agent. Each Project Company prepares individual audited annual financial statements and individual unaudited interim financial statements, which are prepared quarterly. Copies of each of the Project Companies' individual financial statements, articles of association, the Issuer's memorandum and articles of association, the security documents as well as the indenture (which includes the Note Guarantees and the forms of the new notes), will be available free of charge at the offices of the principal paying agent and any other paying agent, including the Luxembourg paying agent.

3. The Issuer currently does not and will not publish financial statements, except for such financial statements that the Issuer may be required to publish under the laws of the Cayman Islands.

4. Except as disclosed in this offering circular, there has been no material adverse change in the Project Companies' financial position since December 31, 2013, the date of the latest audited combined financial statements included in this offering circular.

5. The Issuer is not involved in any litigation or arbitration proceedings relating to claims or amounts that are material in the context of this offering, nor, so far as the Issuer is aware, is any such litigation or arbitration pending or threatened.

6. The Issuer has applied to list the new notes on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF market.

7. So long as the new notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange, the Issuer shall appoint and maintain a paying agent in Luxembourg, where the new notes may be presented or surrendered for payment or redemption, in the event that the global new notes are exchanged for definitive certificated notes. In addition, in the event that the global new notes are exchanged for definitive certificated notes, announcement of such exchange shall be made in the manner provided under "Description of Notes—Notices," and such announcement will include all material information with respect to the delivery of the definitive certificated notes, including details of the paying agent in Luxembourg.

8. The issuance of the new notes was authorized by the Issuer's board of directors on February 4, 2014. The Note Guarantees were authorized by the Project Companies' shareholders on February 5, 2014.

9. The Luxembourg Stock Exchange will be informed of any Initial Extension Period and/or the Second Extension Period, in connection with a Maturity Date Extension as set forth in "Description of Notes—Maturity Date Extension." Notices to noteholders in connection with such extensions will be either published in a daily newspaper in Luxembourg or on the website of the Luxembourg Stock Exchange at www.bourse.lu.

10. Except as disclosed in this offering circular, there are no governmental, legal or arbitration proceedings, including any such proceedings which are pending or threatened of which we are aware, which may have a significant effect on the financial position of the Project Companies.

11. Except as disclosed in this offering circular, there has been no material adverse change in the Issuer's financial position since May 23, 2013, its date of incorporation as an exempted company with limited liability under the laws of the Cayman Islands.

ENFORCEMENT OF JUDGMENTS

Cayman Islands

The Issuer is an exempted limited liability company incorporated under the laws of the Cayman Islands. The Issuer has been incorporated in the Cayman Islands because of certain benefits associated with being a Cayman Islands company, such as political and economic stability, an effective judicial system, a favorable tax system, the absence of exchange control or currency restrictions and the availability of professional and support services.

However, the Cayman Islands have a less developed body of securities laws as compared to the United States and certain other jurisdictions and provide significantly lesser protections for investors. All of the Issuer's directors and officers are nationals and/or residents of countries other than the United States, and all or a substantial portion of the Issuer's or such persons' assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against them, judgments obtained in U.S. courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof.

We have been advised by the Issuer's Cayman Islands legal counsel, Maples and Calder, that the courts of the Cayman Islands are unlikely (i) to recognize or enforce against the Issuer judgments of courts of the United States predicated upon the civil liability provisions of the securities laws of the United States or any State; and (ii) in original actions brought in the Cayman Islands, to impose liabilities against the Issuer predicated upon the civil liability provisions of the securities laws of the United States or any State, so far as the liabilities imposed by those provisions are penal in nature. In those circumstances, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given provided certain conditions are met. For a foreign judgment to be enforced in the Cayman Islands, such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, and or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands Court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere. There is recent Privy Council authority (which is binding on the Cayman Islands Court) in the context of a reorganization plan approved by the New York Bankruptcy Court which suggests that due to the universal nature of bankruptcy/insolvency proceedings, foreign money judgments obtained in foreign bankruptcy/insolvency proceedings may be enforced without applying the principles outlined above. However, a more recent English Supreme Court authority (which is highly persuasive but not binding on the Cayman Islands Court), has expressly rejected that approach in the context of a default judgment obtained in an adversary proceeding brought in the New York Bankruptcy Court by the receivers of the bankruptcy debtor against a third party, and which would not have been enforceable upon the application of the traditional common law principles summarized above and held that foreign money judgments obtained in bankruptcy/insolvency proceedings should be enforced by applying the principles set out above, and not by the simple exercise of the Courts' discretion. Those cases have now been considered by the Cayman Islands Court. The Cayman Islands Court was not asked to consider the specific question of whether a judgment of a bankruptcy court in an adversary proceeding would be enforceable in the Cayman Islands, but it did endorse the need for active assistance of overseas bankruptcy proceedings. We understand that the Cayman Islands Court's decision in that case has been appealed and it remains the case that the law regarding the enforcement of bankruptcy/insolvency related judgments is still in a state of uncertainty.

Austria

The Project Companies are limited liability companies (*Gesellschaften mit beschränkter Haftung*) incorporated under the laws of Austria. The Austrian rules of civil procedure materially differ from those applicable in the United States (including, but not limited to, court fees dependent on the amounts claimed and payable upon filing of a claim, or compensation of the prevailing party's attorney's fees, no discovery procedure). Compensation for damages may not be claimed under Austrian law on the same merits or in the same amount as compared to damages claimed under U.S. law. All of the Project Companies' directors and officers are nationals and/or residents of countries other than the United States, and all or a substantial portion of the Project Companies' or such persons'

assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon the Project Companies or such persons or to enforce against them, judgments obtained in U.S. courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof.

Currently, no treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, between the United States and Austria in civil and commercial matters is in force. There is also no applicable ordinance of the Austrian government in place. Therefore, a judgment rendered by any (federal or state) court in the United States against a Project Company or an Austrian collateral provider, whether or not solely predicated upon U.S. securities laws, will not be enforceable in Austria. Accordingly, the subject matter upon which a judgment has been obtained in a U.S. court must be re-litigated before Austrian courts in accordance with applicable Austrian Civil Procedure Laws (*Zivilprozessverfahren*). Only after having obtained a final judgment before Austrian courts can enforcement procedures be initiated under the Austrian Enforcement Act (*Exekutionsordnung*).

Panama

Foreign judgments and arbitration awards in the Republic of Panama will have their validity agreed to in international treaties. We have been advised by counsel in Panama that no treaty exists between the United States of America and Panama for the reciprocal enforcement of foreign judgments. Therefore, if special treaties with the State that has rendered the judgment or arbitration award do not exist, said judgment or arbitration award will have the same effect as that given in the foreign State to judgments and arbitration awards issued by Panamanian courts. If the final judgment or arbitration award comes from a State that does not recognize judgment or arbitration awards issued in Panama, the foreign judgment or arbitration award will have no force in Panama.

Except as otherwise established in special treaties, foreign judgments and arbitration awards (including the United States of America) will be enforced in the Republic of Panama without reconsideration of the merits, subject to the issuance of a writ of exequatur by the Supreme Court of Panama, provided that;

- the courts of the country of judgment or arbitration award would, under similar circumstances, recognize a final and conclusive judgment of the courts of the Republic of Panama or an arbitration award issued in Panama;

- the judgment or the arbitration award has been issued as a consequence of a personal action (an action against the Norbe VI Drilling Rig, its cargo or freight would be considered a personal action provided that notice of complaint has been given to the master or custodian of the Norbe VI Drilling Rig, its cargo or freight;

- the judgment or arbitration award was rendered after personal service on the defendant;

- the cause of action upon which the judgment or arbitration award was based does not contravene public policy in the Republic of Panama;

- the documents evidencing the judgment or arbitration award are in authentic form according to the respective laws governing such agreements and have been duly legalized by either 1961 Hague Convention Abolishing the Requirement of Legalization for Foreign Public Documents or by a Consul of the Republic of Panama; and

- a copy of the final judgment is translated into Spanish by a Panamanian public licensed translator.

Except as otherwise established in special treaties, in the specific case of the execution of foreign arbitration awards, such awards will only be denied in the following cases:

- When one of the parties so requests in the following circumstances:

    - one of the parties in the arbitration agreement was incapable according to the applicable laws, or that the arbitration agreement is invalid according to the laws to which the parties have subjected it, or if nothing has been agreed to in this respect, according to the laws of the country where the arbitration award was issued;

- the party against which the arbitration award was issued has not been properly notified of the appointment of the arbitrator or of the arbitration proceedings or has not been able to defend its interest for any reason;

- the arbitration award refers to a controversy not included in the arbitration agreement or not contained in the arbitration clause, or contains decisions which exceed the limits of the arbitration clause or agreement. However, if any part of the award that refers to the agreement can be separated from the part that does not refer to the agreement, the execution of the part contained in the agreement will be recognized;

- the constitution of the arbitration tribunal or arbitration proceeding is not in accordance with the agreement between the parties or in the absence of this, that it is not in agreement with the laws of the country where the arbitration took place; and

- that the award is not yet binding on the parties or that it has been annulled or suspended by a court of the country in which, according to its laws, the award has been issued.

- When the Court finds that:

  - pursuant to Panamanian law the subject matter of the dispute may not be resolved through arbitration; or

  - the recognition or execution of the foreign arbitration award is contrary to the domestic or international public order.

Upon confirmation that these requirements have been met, the Supreme Court will recognize the enforceability of the judgment or arbitration award and will order the relevant Panamanian Courts to execute these.

Bahamas

In the Bahamas, the Reciprocal Enforcement of Judgments Act, or the REJ Act, permits a judgment which has been obtained in a superior court outside of the Bahamas to be registered at the Supreme Court of The Bahamas upon application by the judgment creditor at any time within twelve months from the date of the judgment, or such longer period as may be allowed by the court, except if:

(a) the original court acted without jurisdiction;

(b) the judgment debtor, being a person who was neither carrying on business nor ordinarily resident within the jurisdiction of the original court, did not voluntarily appear or otherwise submit or agree to submit to the jurisdiction of that court;

(c) the judgment debtor, being the defendant in the proceedings, was not duly served with the process of the original court and did not appear, notwithstanding that he was ordinarily resident or was carrying on business within the jurisdiction of that court or agreed to submit to the jurisdiction of that court;

(d) the judgment was obtained by fraud;

(e) the judgment debtor satisfies the registering court either that an appeal is pending or that he is entitled or intends to appeal against the judgment; or

(f) the judgment was in respect of a cause of action, which, for reasons of public policy or for some other reason, could not have been obtained by the registering court.

The REJ Act only applies to judgments obtained in an English court, as well as judgments obtained from the superior courts of Barbados, Bermuda, Jamaica, Leeward Islands, St. Lucia, Trinidad, British Guiana, British Honduras, and Australia. Therefore, a judgment obtained in any country other than those named above, including a judgment obtained in a state in the United States, must be enforced under common law rules on recognition and enforcement of foreign judgments.

If a final and conclusive judgment has been obtained from the court of a jurisdiction other than those listed in the preceding paragraph, the courts of The Bahamas would recognize such judgment as a valid judgment, and permit the same to found the basis of a fresh action in The Bahamas and may give a judgment based thereon without there being a retrial of the merits provided that:

(a) such court had proper jurisdiction over the parties;

(b) the judgment is for a debt for a fixed sum of money other than in respect of a fine or penalty;

(c) the judgment was not obtained by fraud on the part of the party in whose favor the judgment was given or of the court pronouncing it;

(d) enforcement of the judgment would not contravene the public policy of the Bahamas;

(e) the proceedings in which the judgment was obtained complied with the rules of natural justice;

(f) the correct procedures under the laws of the Bahamas are duly complied with;

(g) the judgment is not inconsistent with a prior Bahamian judgment in respect of the same matter; and

(h) enforcement proceedings are instituted within six years after the date of judgment or award pursuant to section 5(1)(b) of the Limitation Act, 1995.

Marshall Islands

A judgment granted by a foreign court against a Marshall Islands company may be recognized in the Republic of The Marshall Islands, so long as the foreign judgment grants or denies recovery of a sum of money, and is final and conclusive and enforceable where rendered even though an appeal therefrom is pending, or subject to appeal. A foreign judgment is not conclusive if: (1) the judgment was rendered under a system which does not provide impartial tribunals or procedures compatible with the requirements of due process of law, (2) the foreign court did not have personal jurisdiction over the defendant, (3) the foreign court did not have jurisdiction over the subject matter, or (4) the foreign court does not recognize or enforce the judgments of any other foreign nation. A foreign judgment need not be recognized if: (1) the defendant in the proceedings in the foreign court did not receive notice of the proceedings in sufficient time to enable him to defend, (2) the judgment was obtained by fraud, (3) the cause of action on which the judgment is based is repugnant to the public policy of the Republic of The Marshall Islands, (4) the judgment conflicts with another final and conclusive judgment, (5) the proceeding in the foreign court was contrary to an agreement between the parties under which the dispute in question was to be settled otherwise than by proceedings in court, or (6) in the case of jurisdiction based only on personal service, the foreign court was a seriously inconvenient forum for the trial of the action.

VALIDITY OF SECURITIES

Davis Polk & Wardwell LLP will pass on the validity of the new notes and certain U.S. and English legal matters for the Issuer and the Project Companies. Dorda Brugger Jordis Rechtsanwälte GmbH will pass on certain Austrian legal matters for the Issuer and the Project Companies. Maples & Calder will pass on certain Cayman legal matters for the Issuer and the Project Companies. Stocche Forbes Padis Filizzola, Clápis, Passaro, Meyer e Refinetti Advogados; White & Case LLP; Wolf Theiss Rechtsanwälte GmbH; Patton, Moreno & Asvat; Higgs & Johnson; and Watson, Farley & Williams LLP will pass on certain Brazilian, U.S., Austrian, Panamanian, Bahamian and Marshall Islands legal matters, respectively, for the initial purchasers.

INDEPENDENT AUDITORS

The combined audited financial statements of ODN I GmbH, Odebrecht Drilling Norbe VI GmbH and ODN Tay IV GmbH as of December 31, 2013 and for the year then ended (which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011), prepared in accordance with IFRS, included elsewhere in this offering circular, have been audited by PricewaterhouseCoopers Auditores Independentes, independent auditors, as stated in their report appearing herein. The audit reports included in the combined audited financial statements as of December 31, 2013 and for the year then ended (which contains corresponding figures for the year ended December 31, 2012) and as of December 31, 2012 and for the year then ended (which contains corresponding figures for the year ended December 31, 2011) contain an explanatory paragraph stating that the businesses included in the combined financial statements have not operated as a single entity. The combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the businesses had operated as a single business during the years presented or of future results of the combined businesses. The auditor's opinion is not qualified in respect of this matter.

The combined financial statements referred to above have been prepared in connection with the issuance of debt described in Note 1 to the combined audited financial statements and may not be suitable for other purposes. The auditor's report is intended solely for the management of ODN I GmbH, Odebrecht Drilling Norbe VI GmbH and ODN Tay IV GmbH with the purpose stated and should not be distributed to or used by third parties who are not familiar with the concepts of the combined financial statements described in Note 1 to the combined audited financial statements.

GLOSSARY

"ANP"	Brazilian National Petroleum Agency (*Agência Nacional de Petróleo, Gás Natural, e Biocombustíveis*).
"Barrel"	A stock tank barrel, a standard measure of volume for petroleum corresponding to approximately 159 liters.
"Billion boe"	Billion barrels of oil equivalent.
"Boe"	Barrels of oil equivalent. One boe is equivalent to approximately 0.00535 trillion cubic feet of natural gas, according to the conversion table from the BP Statistical Review of World Energy 2010.
"Braskem"	Braskem S.A.
"CAGR"	Compound annual growth rate.
"Campos Basin"	Oil exploration area located offshore Rio de Janeiro, Brazil.
"Central Bank"	The Central Bank of Brazil (*Banco Central do Brasil*).
"CNO"	Construtora Norberto Odebrecht S.A.
"COFINS"	Brazilian Contribution to Social Security Financing (*Contribuição para o Financiamento da Seguridade Social*)
"CONAMA"	Brazilian National Council of the Environment (*Conselho Nacional do Meio Ambiente*).
"COPOM"	Central Bank's Monetary Policy Committee (*Comitê de Política Monetária do Banco Central*).
"COU"	Constructora Odebrecht Uruguay S.A.
"CPI"	U.S. Consumer Price Index.
"CVM"	Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*).
"Drillships"	The ODN I Drillship and the ODN II Drillship.
"E&P"	Exploration and production.
"Euro MTF"	Euro MTF market of the Luxembourg Stock Exchange.
"Euroclear"	The Euroclear System.
"Exchange Act"	U.S. Securities Exchange Act of 1934, as amended.
"Fitch"	Fitch Ratings Ltd.
"FPSOs"	Floating Production, Storage and Offloading vessels.
"FSMA"	Financial Services and Markets Act 2000.

"GDP"	Brazil's gross domestic product.
"IBAMA"	The Brazilian Institute of the Environment and Natural Renewable Resources (*Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis*).
"IEA"	International Energy Administration.
"INPC"	Brazilian Consumer Price Index (*Índice Nacional de Preços ao Consumidor*).
"IOF"	Tax related to foreign investments in the Brazilian financial and capital markets (*Imposto sobre Operações Financeiras*).
"IPA"	Brazilian Wholesale Price Index (*Índice de Preços por Atacado, IPA-EP-Bens Finais-Bens de Investimento-Máquinas e Equipamentos, series code 1004812*).
"IRRF"	Brazilian withholding income tax.
"ISS"	Brazilian Tax on Services (*Imposto sobre Serviços de Qualquer Natureza*)
"Issuer"	Odebrecht Offshore Drilling Finance Limited
"Maersk"	Maersk Company Ltd.
"Member State"	EEA Member State.
"Million boe per day"	Million barrels of oil equivalent per day.
"Million boe"	Million barrels of oil equivalent.
"mmbl/d"	Million barrels per day.
"Moody's	Moody's Investors Service, Inc.
"Norbe VI Drilling Rig"	An ultra-deepwater dynamic positioning semi-submersible platform.
"Norbe VI Project Company"	Odebrecht Drilling Norbe VI GmbH.
"ODN I Drillship"	A dynamically positioned ultra-deepwater drillship.
"ODN I Perfurações"	ODN I Perfurações Ltda.
"ODN Project Company"	ODN I GmbH.
"ODN II Drillship"	A dynamically positioned ultra-deepwater drillship.
"ODN Tay IV Drilling Rig"	An ultra-deepwater dynamic positioning semi-submersible platform.
"ODN Tay IV Project Company"	ODN Tay IV GmbH
"NSPC"	North Sea Production Company.
"Odebrecht Offshore Drilling Finance Limited"	Issuer

" Odebrecht Oil & Gas" or "the Operator"	Odebrecht Óleo e Gás S.A.
"OOSL"	Odebrecht Oil Services Ltd.
"OPEC"	Organization of the Petroleum Exporting Countries.
"Petrobras"	Petróleo Brasileiro S.A.
"Project Companies"	ODN Project Company, Norbe VI Project Company and ODN Tay IV Project Company.
"Rule 144A"	Rule 144A under the Securities Act.
"S&P"	Standard & Poor's Ratings Service.
"Santos Basin"	The Santos Basin is an offshore pre-salt basin located in the south Atlantic ocean, some 300 kilometers (190 mi) south east of São Paulo, Brazil.
"Securities Act"	U.S. Securities Act of 1933, as amended.
"Vessels"	The Drillships, the Norbe VI Drilling Rig and the ODN Tay IV Drilling Rig.

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ODN I GmbH,
Odebrecht Drilling Norbe Six GmbH and
ODN Tay IV GmbH

Combined financial statements
at December 31, 2013
and independent auditor's report

Independent Auditor's Report

To the Board of Directors and Shareholders
ODN I GmbH, Odebrecht Drilling Norbe Six GmbH
and ODN Tay IV GmbH

We have audited the accompanying combined financial statements of ODN I GmbH ("ODN I GmbH"), Odebrecht Drilling Norbe Six GmbH ("ODN Six") and ODN TAY IV GmbH ("ODN Tay IV"), which comprise the combined balance sheet as at December 31, 2013 and the combined statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the combined financial statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of the combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, Av. Tancredo Neves 620, 30º e 34º, Ed. Empresarial Mundo Plaza, Caminho das Árvores, Salvador, BA, Brasil 41820-020, T: (71) 3319-1900, F: (71) 3319-1937, www.pwc.com/br

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH
and ODN Tay IV GmbH

Opinion

In our opinion, the combined financial statements present fairly, in all material respects, the combined financial position of ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH as at December 31, 2013, and their combined financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Emphasis of matter

Basis of preparation of combined financial statements

We draw attention to Note 1 to these combined financial statements, which states that the businesses included in the combined financial statements have not operated as a single entity. These combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the businesses had operated as a single business during the years presented or of future results of the combined businesses. Our opinion is not qualified in respect of this matter.

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH
and ODN Tay IV GmbH

Other matters

Restriction of use

The combined financial statements referred to above have been prepared in connection with the issuance of debt described in Note 1 to these combined financial statements and are not suitable for other purposes. Our report is intended solely for the management of ODN I GmbH, ODN Six and ODN Tay IV with the purpose stated and should not be distributed to or used by third parties who are not familiar with the concepts of the combined financial statements described in Note 1.

Salvador, February 10, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Felipe Edmond Ayoub
Contador CRC 1SP187402/O-4 "S" RJ

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH

Combined balance sheet
In thousands of U.S. dollars

Assets	December 31, 2013	December 31, 2012	Liabilities and equity
Current assets			**Current liabilities**
Cash and cash equivalents (Note 6)	34,200	85,467	Financings (Note 11)
Short-term investments (Note 7)	6,564	7,928	Related parties (Note 8)
Accounts receivable	49,849	25,385	Contractual obligation (Note
Related parties (Note 8)	25,131		Accounts payable (Note 13)
Claim receivable (Note 9)	19,168		Other liabilities
Prepaid expenses	115	1,501	
Other assets	312	180	
	135,339	120,461	**Non-current liabilities**
			Financings (Note 11)
			Accounts payable (Note 13)
Non-current assets			
Other assets	7,001		
Equipment (Note 10)	2,633,710	2,577,449	**Equity (Note 16)**
	2,640,711	2,577,449	Capital
			Additional paid- in capital
			Retained earnings
			(Accumulated losses)
Total assets	2,776,050	2,697,910	Total liabilities and equity

The accompanying notes are an integral part of these combined financial statements.

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH

Combined statement of income
For the year ended December 31
In thousands of U.S. dollars

	2013	2012
Continuing operations		
Revenue	432,398	216,149
Costs of services rendered (Note 14)	(216,737)	(103,877)
Operating profit	215,661	112,272
Finance costs (Note 15)	(123,008)	(43,933)
Profit for the year	92,653	68,339

The accompanying notes are an integral part of these combined financial statements.

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH

Combined statement of changes in equity
In thousands of U.S. dollars

	Capital	Unpaid capital	Additional paid-in capital	Retained earnings (Accumulated losses)	Total
At January 1, 2012	169,195		268,035	39,681	476,911
Capital increase (Note 16)	48	(24)	286,684		286,708
Profit for the year				68,339	68,339
Dividends				(17,001)	(17,001)
Transfers (Note 16)	(169,097)		221,466	(52,369)	
At December 31, 2012	146	(24)	776,185	38,650	814,957
Capital increase (Note 16)			58,531		58,531
Profit for the year				92,653	92,653
Dividends (Note 16)				(306,419)	(306,419)
At December 31, 2013	146	(24)	834,536	(175,116)	659,542

The accompanying notes are an integral part of these combined financial statements.

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH

Combined statement of cash flows
For the year ended December 31,
In thousands of U.S. dollar

	2013	2012
Cash flows from operating activities		
Profit for the year	92,653	68,339
Adjustments		
Depreciation	95,744	35,995
Related parties	5,013	
Claim receivable	(19,168)	
Finance costs	122,888	39,854
	297,130	144,188
Changes in assets and liabilities		
Accounts receivable	(24,464)	(20,706)
Other assets	(7,221)	(180)
Prepaid expenses	1,474	(1,501)
Accounts payable	(22,292)	20,551
Other liabilities		904
Net cash provided by operating activities	244,627	143,256
Cash flows from investing activities		
Short-term investments	1,364	(7,928)
Additions to equipment	(4,756)	(909,485)
Net cash used in investing activities	(3,392)	(917,413)
Cash flows from financing activities		
From shareholders		
Capital increase	58,351	286,708
Dividend payment	(306,419)	(17,001)
Financings		
Financing obtained	210,630	1,131,418
Repayments of borrowings	(146,995)	(506,742)
Payment of interest	(108,069)	(74,937)
Net cash provided by (used in) financing activities	(292,502)	819,446
Increase (decrease) in cash and cash equivalents	(51,267)	45,289
Cash and cash equivalents at the beginning of the year	85,467	40,178
Cash and cash equivalents at the end of the year	34,200	85,467

Non cash transactions:
Additions to equipment in the amount of US$ 147,249 with counter-parties in related parties.

The accompanying notes are an integral part of these combined financial statements.

1 Operating context

ODN I GmbH ("ODN I GmbH"), Odebrecht Drilling Norbe Six GmbH ("ODN Six") and ODN Tay IV GmbH ("ODN Tay IV") are Companies under common control of Odebrecht Óleo e Gás S.A. ("OOG"). OOG is controlled by Odebrecht S.A and was constituted on November 7, 2006, as a result of the process of business segregation and simplification of the corporate and capital structures of the Odebrecht Organization. OOG and its subsidiaries render integrated services to the upstream oil and gas industry, both in the phase of the construction of assets and investments and operationally in the segments of Charter and Operation of Offshore Drilling Units, subsea, Charter and Operation of Floating Production, Storage and Offloading units (FPSO), and also provide installation, maintenance and complementary services for production in Brazil and the United Kingdom.

The combined financial statements, as described in Note 2.1 (a), were prepared based on the assets, liabilities, revenues and expenses identified and segregated using the historical individual financial statements of the Companies, as described below:

a) ODN I GmbH

ODN I GmbH was acquired by OOG Group on March 12, 2010 and is established in Vienna (Austria). Its operations comprise the charter of two dynamic positioning ultra deepwater drilling units, named ODN I and ODN II ("ODN I" and "ODN II") for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petroleo Brasileiro S.A. - Petrobras on July 25, 2008 for a period of ten years, as from the operations start-up, extendable for an additional period of up to ten years by mutual agreement of the parties. On September 12, 2012 and August 28, 2012, ODN I and ODN II, respectively, started their operations under the agreement with Petrobras.

b) Odebrecht Drilling Norbe Six GmbH

ODN Six was acquired by OOG Group on September 17, 2010 and is established in Vienna (Austria). On June 26, 2012 the Company received from its indirect shareholder OOG the totality of the shares issued by Odebrecht Drilling Services LLC ("ODS"), a transaction with parties under common control. ODN Six´s operations comprise the charter of a semi-submersible dynamic positioning floating drilling unit, named Norbe VI, for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petróleo Brasileiro S.A. - Petrobras on September 15, 2006 for a period of seven years, as from the operations start-up, renewable for up to seven additional years. On July 14, 2011, Norbe VI started its operations under the agreement with Petrobras.

c) ODN Tay IV

ODN Tay IV GmbH ("ODN Tay IV" or "Company") was acquired on March 31, 2011 and is established in Vienna (Austria). Its operations comprise the charter of a deepwater semi-submersible dynamic positioning floating drilling unit, named Stena Tay, for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petroleo Brasileiro S.A. - Petrobras for a period of seven years, as from the operations start-up, extendable for an additional period of up to seven years by mutual agreement of the parties. On March 2 2013, the Company started its operations.

ODN I GmbH's sole shareholder is ODN Holding GmbH ("ODN Holding"), ODN Tay IV's sole shareholder is ODN Tay IV Holding ("ODN Tay IV Holding") and ODN Six's sole shareholder is Odebrecht Oil & Gas GmbH ("OOG GmbH"), all of these companies established in accordance with laws of Vienna (Austria). ODN I GmbH, ODN Six and ODN Tay IV are part of the Odebrecht Oil and Gas Organization, whose ultimate holding company is Odebrecht Óleo e Gás S.A., incorporated in Rio de Janeiro, Brazil.

These special purpose combined financial statements have been prepared solely for the purpose of inclusion in an Offering Memorandum for the issuance of debt in which ODN I GmbH, ODN Six and ODN Tay IV are part of the guarantee structure.

ODN I GmbH, ODN Six and ODN Tay IV do not operate as a single entity.

As of December 31, 2013, ODN I GmbH, ODN Six and ODN Tay IV had combined a negative working capital of US$ 155,998 (US$ 100,055 - 2012) due to the payment of principal and interest on the loans, considering a quarterly and semi-annual schedule. However, based on the cash flow projections of the charter contracts and financial resources provided by parent Company, management believes ODN I GmbH, ODN Six and ODN Tay IV will pay the loan with these resources and correct the negative working capital situation.

2 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these combined financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

2.1 Basis of preparation

The combined financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities (including derivative instruments), which are measured at their fair value.

The preparation of combined financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Companies' accounting policies. Those areas that require a higher degree of judgment and which are more complex, as well as other areas requiring significant estimates and assumptions for the financial statements, are disclosed in Note 3.

The Companies' functional currency is the U.S. dollar, which is also the currency in which the accounting records are maintained.

The issuance of these combined financial statements was authorized by the Directors on February 06, 2014.

(a) Combined financial statements

These combined financial statements have been prepared based on assets, liabilities, revenues and expenses identified and segregated using the historical individual financial information of ODN I GmbH, ODS and ODN Tay IV for the year ended December 31, 2011 up to June 26, 2012, ODN I GmbH, ODN Six and ODN Tay IV from June 27 to December 31, 2012 and ODN I GmbH, ODN Six and ODN Tay IV for the year ended December 31, 2013. The combined financial statements have also been prepared and are presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

In the process of combination, when applicable, the account balances and results of unrealized intercompany transactions at the reporting date were eliminated.

These combined financial statements do not represent individual or consolidated financial statements and should not be used for purposes of calculation of dividends, taxes or any other corporate or statutory purposes. These combined financial statements are presented only to provide additional analysis for the reader.

2.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and other highly liquid short-term investments falling due within 90 days and which can be immediately converted into a known cash amount, with insignificant risk of change in value.

2.3 Short-term investments

Short term investments comprise escrow accounts which represent resources related to Project Bond, not being readily convertible in cash, depending on use restrictions only after debt settlement, with insignificant risk of change in value.

2.4 Accounts receivable

Accounts receivable are amounts due from customers for services rendered in the normal course of the Companies' business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

The receivables are recognized at the amount billed, adjusted by the provision for impairment, when necessary.

2.5 Equipment

Equipment is stated at historical cost less accumulated depreciation and includes expenditure that is directly attributable to the acquisition of the items and finance costs related to the acquisition of qualifying assets during the period necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Companies and the cost of the item can be reliably measured. The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance costs are charged to the statement of income during the period in which they are incurred.

The depreciation of the drillship ODN II, ODN Six and ODN Tay IV is calculated using the straight-line method to reduce its cost to the residual values over the estimated useful lives, as follows:

	Useful life
Vessels	30 years
Floaters	8 years
Riser columns	8 years
Drilling column	4 years

In thousands of U.S. dollars, unless otherwise indicated

On September 30, 2013 the Company reviewed the main components of the drillship ODN I and revaluated their estimated useful lives, as follows:

	Useful life
Drilling equipment and systems	6-35 years
Hull and structure	6-35 years
Inventory and maintenance system	12 years
Machinery	12-18 years
Equipment for crew	12-24 years
Platform equipment	18-35 years
Platform common systems	18-35 years
Systems/main machinery components	18-35 years

The drillship Norbe VI has been depreciated since July 14, 2011, ODN I since September 12, 2012, ODN II since August 28, 2012 and ODN Tay IV since March 2, 2013 which are the dates the operations started.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of income.

2.6 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Each drillship represents the cash-generating unit of the Company. Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

2.7 Financings

Financings are recognized initially at fair value, net of transaction costs incurred. Financings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the settlement value is recognized in the statement of income over the period of the financing using the effective interest method.

Incremental costs incurred on the establishment of borrowing facilities are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it is related.

Financings are classified as current liabilities unless the Companies have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.8 Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, they are usually recognized at the amount of the related invoice and the fair value is the same as the invoice value.

2.9 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Companies' activities. Revenue is shown net of taxes, rebates and discounts.

The Companies recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Companies' activities.

The revenue is calculated by multiplying the day rate for each drillship by the availability expressed as a percentage of the number of days of availability in the applicable period.

2.10 Income tax

The Companies did not engage in operations, in the periods presented, subject to income tax in Austria.

2.11 Lease contracts

As described in Note 1, the Companies are party to a charter contract. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the charter contract are accounted for on the accrual basis and are stated based on a defined day rate, for a period of seven years for ODN Six and ODN Tay IV, renewable for up to an additional seven years and ten years for ODN I GmbH, renewables for up to additional ten years by mutual agreement of the parties.

2.12 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards, amendments and interpretations to existing standards were issued by IASB but are not effective for 2013.

. IFRS 9, "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at

amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Companies are yet to assess IFRS 9's full impact. The standard is applicable as from January 1, 2015.

. IFRIC 21,"Levies". The interpretation clarified when an entity should recognize an obligation to pay levies according to the legislation. An obligation should only be recognized when an event that results in an obligation occurs. This interpretation is applicable as from January 1, 2014.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Companies.

3 Estimates and critical accounting judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

Depreciation

Depreciation of the assets is calculated using the straight-line method to reduce the cost to residual values over their estimated useful lives.

4 Financial risk management

(a) Identification and valuation of financial instruments

The Companies maintains financial instruments, comprised by cash and cash equivalents, short term investments, accounts receivable, suppliers and financing for the construction of the Drillships.

(b) Financial risk management policy

The Companies adopt financial policies that set forth the guidelines for the management of risks. In accordance with this policy, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. The credit limits and hedge quality of counterparties are also periodically reviewed.

Under these policies, market risks are hedged when the Companies believe it is necessary to support corporate strategy.

According to the risk management policy, derivative instruments for speculative trading purposes are not allowed.

In thousands of U.S. dollars, unless otherwise indicated

(c) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers. For banks and other financial institutions, only independently rated parties above investment grade (BBB -) are accepted. The Companies have signed long term contracts with Petrobras for chartering three Drillships. The contract terms are seven years for ODN Six and ODN Tay IV, and ten years for ODN I GmbH, renewable for equivalents periods. Petrobras has investment grade rating assigned by the main rating agencies and its investment grade was rated BBB by Fitch agency.

(d) Liquidity risk

This is the risk of the Companies not having sufficient liquid funds to meet their financial commitments, due to mismatch of terms or volume in expected receipts and payments.

To manage liquidity, cash disbursements and receipts are determined and monitored on a daily basis by the treasury department, including negative working capital situation on December 31, 2013 from which the Company will have the financial resources provided by parent Company, if necessary.

The table below presents the Companies financial liabilities analyzed by maturity, corresponding to the period remaining on the balance sheet date until the contractual maturity. The values reported in the table are undiscounted cash flows contracted.

	At December 31, 2013			
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
Principal of financing	120,029	135,561	460,454	1,345,550
Interest on financing	122,926	117,641	314,647	259,211
Accounts payable	6,265			

	At December 31, 2012			
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
Principal of financing	178,103	182,489	705,806	787,988
Interest on financing	49,637	53,071	122,592	69,929
Accounts payable	17,922			

In thousands of U.S. dollars, unless otherwise indicated

(e) Market risk - interest rate risk

This risk arises from the possibility that the Companies may incur losses due to fluctuations in interest rates that lead to an increase in financial expenses related to financing obtained. The financing contracted by the Companies are subject to fixed interest rates.

5 Financial instruments by category

(i) The financial assets are classified as follows:

Assets	**December 31, 2013**	**December 31, 2012**
Loans and receivable		
Cash and cash equivalents (Note 6)	34,200	85,467
Trade accounts receivable	49,849	25,385
Other receivable (*)	7,051	47
	91,100	110,899
Financial assets measured at fair value through profit or loss		
Short-term investments (Note 7)	6,564	7,928
	97,664	118,827

(*) prepayments are excluded from "Other receivables"

(ii) The financial liabilities are classified as follows:

Liabilities	**December 31, 2013**	**December 31, 2012**
Other financial liabilities		
Financings (Note 11)	1,933,617	1,854,396
Trade accounts payable	6,265	28,557
	1,939,882	1,882,953

In thousands of U.S. dollars, unless otherwise indicated

6 Cash and cash equivalents

	December 31, 2013	December 31, 2012
Bank deposits	34,200	85,467
	34,200	85,467

At December 31, 2013, bank deposits are represented by funds available in current account basically with: Itaú BBA, HSBC and Deutsche Bank, denominated in US dollars and rated BBB, A+ and A, respectively.

7 Short-term investments

At December 31, 2013, short-term investments are represented by escrow accounts with HSBC, denominated in U.S. dollars and rated A+ by Fitch agency.

8 Related parties

During 2013, ODN I GmbH, Norbe Six and Tay IV were invoiced by OOSL in the amount of US$ 114,739 (2012 – US$ 63,238) referring to the vessel maintenance contract (SOISA) and reimbursements for the import tax charges (ICMS). The balance of transactions with related parties in the balance sheet are detailed below:

- The account receivable from Delba Drilling International Cöoperatie U.A ("Delba Coop") of US$ 25,131 refers to the agreement signed between the Companies and Petrobras as described in Note 12. This agreement provides that the penalties for the late delivery of the Delba Coop will be converted into investments (technical improvements) in ODN Six (US$ 20,545) and ODN I (US$ 4,586). These investments represent the settlement of the penalties, i.e. the Company reversed a penalties in an upgrade of the assets.In this context, ODN Six an ODN I recorded an intercompany loan with the semi-submersible rig Delba Coop as compensation for the obligation to perform technical improvements.

- The account payable to Oil Services Ltda ("OOSL") of US$ 96,862 refers to the Construction Management Agreement (CMA) in the amount US$ 70,332, vessel maintenance contract (SOISA) in the amount of US$ 23,706 and transaction costs in the amount of US$ 2,824.

- The accounts payable to OOG of US$ 10,846 refers to Asset Maintenance Agreement (AMA). The amount US$ 5,833 was capitalized during 2013 and US$ 5,013.

- During 2013, ODN I GmbH, Norbe Six and Tay IV was invoiced by OOSL in the amount US$ 114,739 (2012 – US$ 63,238) referring to the vessel maintenance contract (SOISA) and reimbursements for the import tax charges (ICMS).

In thousands of U.S. dollars, unless otherwise indicated

9 Claim receivable

Refers to a claim receivable from Stena Tay KFT due the non-compliance of the contract related on the sale of the asset in the amount of US$ 19,168. ODN Tay IV will receive US$ 10,900 in cash and US$ 8,268 in equipments.

10 Equipment

Equipment, amounting to US$ 2,616,587 (US$ 2,577,449 – 2012) relates to expenditures incurred in the construction of the Drillships ODN Six, ODN I, ODN II and ODN Tay IV, including financial charges on the project finance structured loan (Note 10) capitalized during the construction phase, less accumulated depreciation. The balance is denominated in U.S. dollars and was transferred to the equipment account upon commencement of operations.

	Drillship in construction	Drillship	Total
At January 1, 2012	1,033,706	613,725	1,647,431
Transfer	(1,274,615)	1,274,615	
Acquisitions	871,794	37,691	909,485
Depreciation		(35,995)	(35,995)
Financing costs	56,528		56,528
Net balance	687,413	1,890,036	2,577,449
At December 31, 2012			
Cost	687,413	1,929,200	2,616,613
Accumulated depreciation		(39,164)	(39,164)
Net balance	687,413	1,890,036	2,577,449
At January 1, 2013	687,413	1,890,036	2,577,449
Transfer	(713,779)	713,779	
Acquisitions	22,775	125,639	148,414
Depreciation		(95,744)	(95,744)
Financing costs	3,591		3,591
Net balance		2,633,710	2,633,710
At December 31, 2013			
Cost		2,756,698	2,756,698
Accumulated depreciation		(122,988)	(122,988)
Net balance		2,633,710	2,633,710

In thousands of U.S. dollars, unless otherwise indicated

11 Financing

	December 31, 2013	December 31, 2012
Project Bond (i)	1,540,781	
Project Finance (Syndicated of banks) (ii)	392,836	1,854,396
Current	(108,446)	(201,689)
Non-current	1,825,171	1,652,707

(i) Project Bond

On July 26, 2013, the related party Odebrecht Offshore Drilling Finance Limited, headquartered in Cayman Island, issued Senior Secured Notes (Bond) in the amount of US$ 1,690 million with a 6.75% p.a. coupon priced at 99.994% of the face value. The funds arising from the Bond were partially transferred to ODN Six and ODN I through intercompany loans, agreed for the same term, conditions and interest rate, and were partially used to settle the project finance contracted in 2007 and 2010 respectively. The intercompany loans will be settled in accordance with the Bond repayment schedule, which takes into consideration quarterly intervals as from December 2013. The final installment is scheduled for October 2022. The interest incurred will be settled every three months in March, June, September and December and begun in December 2013.

(ii) Project Finance

On June 6, 2011, ODN Tay IV contracted bridge loans amounting to US$ 27,000 maturing on January 31, 2012, for the purpose of financing the initial costs of the acquisition of the sub-submersible rig Stena Tay. Up to December 31, 2011, ODN Tay IV contracted new tranches of this bridge loan amounting to US$ 459,000. On December 22, 2011, ODN Tay IV signed the final Project Finance contract in the amount of US$ 470,000. The resources of the Project Finance, released on January 13, 2012, were used to settle the bridge loans. The principal amount will be settled in accordance with the amortization schedule, which takes into consideration six-month intervals as from June, 2013. The final installment is scheduled for June 2019. The interest incurred will be settled every six months in June and December and the final settlement is scheduled for June 2019.

The guarantees are limited to rights deriving from the specific project, with no right of recourse against OOG or other entities of the Odebrecht Organization.

At December 31, 2013, the balances of financing amount to US$ 1,933,617 of which US$ 108,446 refers to current liabilities.

In thousands of U.S. dollars, unless otherwise indicated

Long-term amounts by maturity year are as follows:

	December 31, 2013	December 31, 2012
2014		177,886
2015	116,793	201,787
2016	129,576	233,414
2017	141,369	259,206
2018	136,818	177,393
2019 onwards	1,300,615	603,021
	1,825,171	1,652,707

At December 31, 2013 the Companies are in compliance with all related financing covenants.

12 Contractual obligation

	December 31, 2013	December 31, 2012
Petrobras	68,918	
	68,918	

On November 29, 2013, the Companies and Petrobras agreed to settle all charges for late delivery of the assets related to the charter contracts, compensated by technical improvements in the drillship as requested by Petrobras. These technical improvements are subject to amendment to the charter contract signed between the parties.

13 Accounts payable

	December 31, 2013	December 31, 2012
Current liabilities		
Accounts payable to Petrobras (i)		12,500
Other accounts payable	6,265	5,422
	6,265	17,922
Non-current liabilities		
Accounts payable to Petrobras (i)		9,730
	6,265	27,652

(i) Norbe Six and Petrobras were in discussions about the applicability of charges for late delivery of the drillship. On November 29, 2013, the Company and Petrobras signed an agreement to settle all charges for late delivery of the assets related to the charter contract, compensated by technical improvements in the drillship

In thousands of U.S. dollars, unless otherwise indicated

as requested by Petrobras. These technical improvements are subject to amendment to the charter contract signed between the parties.

14 Costs of services rendered

	December 31, 2013	December 31, 2012
Assistance (i)	114,739	27,538
Depreciation	95,744	35,995
ICMS		35,700
Insurance	2,365	2,102
Others	3,889	2,542
	216,737	103,877

(i) with respect to administrative, managerial and technical matters.

15 Finance costs

	December 31, 2013	December 31, 2012
Interest on project finance	123,008	43,933
	123,008	43,933

16 Equity

On December 31, 2013, capital amounts to US$ 122 (US$ 122 - 2012) and consists of one quota share representing the total capital.

Additional paid-in capital during 2013 amounted to US$ 58,531 (US$ 286,684 – 2012) and corresponds to an indirect capital contribution from OOG, related to own resources for the construction of Drillships. On June 26, 2012 OOG made a contribution in kind to ODN Six of its indirect interests in ODS (US$ 282,614), following this transaction ODS transferred all its assets and liabilities to ODN Six at book value.

On June 26, 2012 OOG made a contribution in kind to ODN Six of its indirect interests on ODS in the amount of US$ 282,614 following this transaction ODS transferred all its assets and liabilities to ODN Six compensating its equity in the same aggregate value and US$ 61,147 refers to the additional paid-in capital transferred from ODS, totalizing US$ 221,466. The amount of US$ 169,097 and US$ 52,369 refers to the capital and accumulated earnings of ODS until the data of its transference, respectively. The transaction was made with parties under common control.

On April 8, August 9, and December 16, 2013, ODN I paid dividends to ODN Holding GmbH in the amounts of US$ 37,600, US$ 46,847 and US$ 5,579, respectively.

On August 9, 2013 and December 18, 2013, ODN Six paid dividends to OOG GmbH in the amounts of US$ 178,508 and US$ 37,885 respectively.

* * *

ODN I GmbH,
Odebrecht Drilling Norbe Six GmbH and
ODN Tay IV GmbH

Combined financial statements
at December 31, 2012
and independent auditor's report

pwc

Independent Auditor's Report

To the Board of Directors and Shareholders
ODN I GmbH, Odebrecht Drilling Norbe Six GmbH
and ODN Tay IV GmbH

We have audited the accompanying combined financial statements of ODN I GmbH ("ODN I GmbH"), Odebrecht Drilling Norbe Six GmbH ("ODN Six") and ODN TAY IV GmbH ("ODN Tay IV"), which comprise the combined balance sheet as at December 31, 2012 and the combined statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsability for the combined financial statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

PricewaterhouseCoopers, Av. Tancredo Neves 620, 30º e 34º, Ed. Empresarial Mundo Plaza, Caminho das Árvores, Salvador, BA, Brasil 41820-020, T: (71) 3319-1900, F: (71) 3319-1937, www.pwc.com/br

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH
and ODN Tay IV GmbH

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements present fairly, in all material respects, the combined financial position of ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH as at December 31, 2012, and their financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Emphasis of matter

Basis of preparation of combined financial statements

We draw attention to Note 1 to these combined financial statements, which states that the businesses included in the combined financial statements have not operated as a single entity. These combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the businesses had operated as a single business during the years presented or of future results of the combined businesses. Our opinion is not qualified in respect of this matter.

Other matters

Restriction of use

The combined financial statements referred to above have been prepared in connection with the issuance of debt described in Note 1 to these combined financial statements and are not suitable for other purposes. Our report is intended solely for the management of ODN I GmbH, ODN Six and ODN Tay IV with the purpose stated and should not be distributed to or used by third parties who are not familiar with the concepts of the combined financial statements described in Note 1.

Salvador, February 10, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Felipe Edmond Ayoub
Contador CRC 1SP187402/O-4 "S" RJ

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH

Combined balance sheet
In thousands of U.S. dollars

Assets	December 31, 2012	December 31, 2011	Liabilities and equity
Current assets			**Current liabilities**
Cash and cash equivalents (Note 6)	85,467	40,178	Financings (Note 9)
Short-term investments (Note 7)	7,928		Accounts payable (Note 10)
Accounts receivable	25,385	4,679	Other liabilities
Prepaid expenses	1,501		
Other assets	180		
	120,461	44,857	**Non-current liabilities**
			Financings (Note 9)
			Accounts payable (Note 10)
Non-current assets			
Equipment (Note 8)	2,577,449	1,647,431	
	2,577,449	1,647,431	**Equity (Note 15)**
			Capital
			Additional paid- in capital
			Retained earnings
Total assets	2,697,910	1,692,288	Total liabilities and equity

The accompanying notes are an integral part of these combined financial statements.

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH

Combined statement of income
For the year ended December 31
In thousands of U.S. dollars

	2012	2011
Continuing operations		
Revenue	216,149	57,188
Costs of services rendered (Note 12)	(103,877)	(5,340)
Operating profit	112,272	51,848
Finance income		14
Finance costs (Note 13)	(43,933)	(12,181)
Profit for the year	68,339	39,681

The accompanying notes are an integral part of these combined financial statements.

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH

Combined statement of changes in equity
In thousands of U.S. dollars

	Capital	Unpaid capital	Additional paid-in capital	Retained earnings	Total
At January 1, 2011	130,314		70,300		200,614
Capital increase (Note 15)	38,881		197,735		236,616
Profit for the year				39,681	39,681
At December 31, 2011	169,195		268,035	39,681	476,911
Capital increase (Note 15)	48	(24)	286,684		286,708
Profit for the year				68,339	68,339
Dividends (Note 11)				(17,001)	(17,001)
Transfers (Note 15)	(169,097)		221,466	(52,369)	
At December 31, 2012	146	(24)	776,185	38,650	814,957

The accompanying notes are an integral part of these combined financial statements.

ODN I GmbH, Odebrecht Drilling Norbe Six GmbH and ODN Tay IV GmbH

Combined statement of cash flows
For the year ended December 31
In thousands of U.S. dollars

	2012	2011
Cash flows from operating activities		
Profit for the year	68,339	39,681
Adjustments		
Depreciation	35,995	3,169
Finance costs	39,854	11,955
	144,188	54,805
Changes in assets and liabilities		
Accounts receivable	(20,706)	(4,677)
Prepaid expenses	(1,501)	4,132
Other assets	(180)	(1)
Accounts payable	20,551	151
Suppliers		(3,374)
Other liabilities	904	2,993
Net cash provided by operating activities	143,256	54,029
Cash flows from in investing activities		
Short-term investments	(7,928)	
Additions to equipment	(909,485)	(699,400)
Net cash used in investing activities	(917,413)	(699,400)
Cash flows from financing activities		
From shareholders		
Capital increase	286,708	192,145
Dividends	(17,001)	
Financings		
Financing obtained	1,131,418	812,181
Repayment of principal	(506,742)	(292,333)
Payment of interest	(74,937)	(26,516)
Net cash provided by financing activities	819,446	685,477
Increase in cash and cash equivalents	45,289	40,106
Cash and cash equivalents at the beginning of the year	40,178	72
Cash and cash equivalents at the end of the year	85,467	40,178

Non cash transactions:

The transfer of Norbe VI from ODS to ODN Six in the amount of US$ 5,590.

The accompanying notes are an integral part of these combined financial statements.

1 Operating context

ODN I GmbH ("ODN I GmbH"), Odebrecht Drilling Norbe Six GmbH ("ODN Six") and ODN Tay IV GmbH ("ODN Tay IV") are Companies under common control of Odebrecht Óleo e Gás S.A. ("OOG"). OOG is controlled by Odebrecht S.A and was constituted on November 7, 2006, as a result of the process of business segregation and simplification of the corporate and capital structures of the Odebrecht Organization. OOG and its subsidiaries render integrated services to the upstream oil and gas industry, both in the phase of the construction of assets and investments and operationally in the segments of Charter and Operation of Offshore Drilling Units, subsea, Charter and Operation of Floating Production, Storage and Offloading units (FPSO), and also provide installation, maintenance and complementary services for production in Brazil and the United Kingdom.

The combined financial statements, as described in Note 2.1(a), were prepared based on the assets, liabilities, revenues and expenses identified and segregated using the historical individual financial statements of the Companies, as described below:

a) ODN I GmbH

ODN I GmbH was acquired by OOG Group on March 12, 2010 and is established in Vienna (Austria). Its operations comprise the charter of two dynamic positioning ultra deepwater drilling units, named ODN I and ODN II ("ODN I" and "ODN II") for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petroleo Brasileiro S.A. - Petrobras on July 25, 2008 for a period of ten years, as from the operations start-up, renewable for an additional period of up to ten years by mutual agreement of the parties. On September 12, 2012 and August 28, 2012, ODN I and ODN II, respectively, started their operations under the agreement with Petrobras.

b) Odebrecht Drilling Norbe Six GmbH

ODN Six was acquired by OOG Group on September 17, 2010 and is established in Vienna (Austria). On June 26, 2012 the Company received from its indirect shareholder OOG the totality of the shares issued by Odebrecht Drilling Services LLC ("ODS"), a transaction with parties under common control. ODN Six´s operations comprise the charter of a semi-submersible dynamic positioning floating drilling unit, named Norbe VI, for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petróleo Brasileiro S.A. - Petrobras on September 15, 2006 for a period of seven years, as from the operations start-up, renewable for up to seven additional years. On July 14, 2011, Norbe VI started its operations under the agreement with Petrobras.

c) ODN Tay IV

ODN Tay IV GmbH ("ODN Tay IV") was acquired by OOG Group on March 31, 2011 and is established in Vienna (Austria). Its operations comprise the charter of a deepwater semi-submersible dynamic positioning floating drilling unit, named Stena Tay, for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petroleo Brasileiro S.A. - Petrobras for a period of seven years, as from the operations start-up, renewable for an additional period of up to seven years by mutual agreement of the parties. The operations are expected to start in the first quarter of 2013.

ODN I GmbH's sole shareholder is ODN Holding GmbH ("ODN Holding"), ODN Tay IV's sole shareholder is ODN Tay IV Holding ("ODN Tay IV Holding") and ODN Six's sole shareholder is Odebrecht Oil & Gas GmbH ("OOG GmbH"), all of these companies established in accordance with laws of Vienna (Austria). ODN I GmbH, ODN Six and ODN Tay IV ("Companies") are part of the Odebrecht Oil and Gas Organization, the ultimate holding company of which is Odebrecht Óleo e Gás S.A., incorporated in Rio de Janeiro, Brazil.

These special purpose combined financial statements have been prepared solely for the purpose of inclusion in an Offering Memorandum for the issuance of debt in which ODN I GmbH, ODN Six and ODN Tay IV are part of the guarantee structure.

ODN I GmbH, ODN Six and ODN Tay IV do not operate as a single entity.

As of December 31, 2012, ODN I GmbH, ODN Six and ODN Tay IV had negative working capital of US$ 100,055 (US$ 50,590 – 2011) due to the payment of principal and interest on the loans, considering a quarterly and semi-annual schedule. However, based on the cash flow projections of the charter contracts and financial resources provided by parent Company, management believes ODN I GmbH, ODN Six and ODN Tay IV will pay the loan with these resources and correct the negative working capital situation.

2 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these combined financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

2.1 Basis of preparation

The combined financial statements have been prepared under the historical cost convention, except for certain financial assets and liabilities (including derivative instruments), which are measured at their fair value.

The preparation of combined financial statements requires the use of certain critical accounting estimates. It also requires the Companies' management to exercise its judgment in the process of applying the Group's accounting policies. Those areas that require a higher degree of judgment or which are more complex, as well as other areas requiring significant estimates and assumptions for the financial statements, are disclosed in Note 3.

The Companies' functional currency is the U.S. dollar, which is also the currency in which the accounting records are maintained.

The issuance of these combined financial statements was authorized by the Directors on February 06, 2014.

(a) Combined financial statements

These combined financial statements have been prepared based on assets, liabilities, revenues and expenses identified and segregated using the historical individual financial information of ODN I GmbH, ODS and ODN Tay IV for the year ended December 31, 2011 up to June 26, 2012, ODN I GmbH, ODN Six and ODN Tay IV from June 27 to December 31, 2012. The combined financial statements have also been prepared and are presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

In the process of combination, when applicable, the account balances and results of unrealized intercompany transactions at the reporting date were eliminated.

These combined financial statements do not represent individual or consolidated financial statements and should not be used for purposes of calculation of dividends, taxes or any other corporate or statutory purposes. These combined financial statements are presented only to provide additional analysis for the reader.

2.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and other highly liquid short-term investments falling due within 90 days and which can be immediately converted into a known cash amount, with insignificant risk of change in value.

2.3 Short-term investments

Short term investments comprise escrow accounts which represent resources related to Project Finance, not being readily convertible in cash, depending on use restrictions only after debt settlement, with insignificant risk of change in value.

2.4 Accounts receivable

Accounts receivables are amounts due from customers for services rendered in the ordinary course of the Companies' business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

The receivables are recognized at the amount billed, adjusted by the provision for impairment, when necessary.

2.5 Equipment

Equipment is stated at historical cost less accumulated depreciation and includes expenditure that is directly attributable to the acquisition of the items and financial costs related to the acquisition of qualifying assets during the period necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Companies and the cost of the item can be reliably measured. The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance costs are charged to the statement of income during the period in which they are incurred.

Depreciation of the assets is calculated using the straight-line method to reduce the cost to residual values over their estimated useful lives, as follows:

	Useful life
Vessels	30 years
Floaters	8 years
Riser columns	8 years
Drilling column	4 years

The drillship Norbe VI has been depreciated since July 14, 2011, ODN I since September 12, 2012 and ODN II since August 28, 2012 which are the operations starting dates. ODN Tay IV has an estimated useful life of 30 years and will be depreciated as from the date operations start which is expected for the first half of 2013.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of income.

2.6 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Each drillship represents the cash-generating unit of the Company. Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

2.7 Financings

Financings are recognized initially at fair value, net of transaction costs incurred. Financings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the settlement value is recognized in the statement of income over the period of the financing using the effective interest method.

Incremental costs incurred on the establishment of borrowing facilities are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it is related.

Financings are classified as current liabilities unless the Companies have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.8 Accounts payable

Accounts payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, they are usually recognized at the amount of the related invoice and the fair value is the same as the invoice value.

ODN Six and ODN Tay IV are currently in discussions with Petrobras about the applicability of charges for late delivery of the drillship. The Company expects that the outcome for the negotiation will be favorable, and that no future disbursements will be required.

2.9 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Companies' activities. Revenue is shown net of taxes, rebates and discounts.

The Companies recognize revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Companies' activities.

The revenue is calculated by multiplying the day rate for the drillship by the availability expressed as a percentage of the number of days of availability in the applicable period.

2.10 Income tax

The Companies did not engage in operations, in the periods presented, subject to income tax in Austria.

2.11 Lease contracts

As described in Note 1, the Companies are party to a charter contract. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the charter contract are accounted for on the accrual basis and are stated based on a defined day rate, for a period of seven years for ODN Six and ODN Tay IV, renewable for up to an additional seven years and ten years for ODN I GmbH, renewables for up to additional ten years by mutual agreement of the parties.

2.12 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards, amendments and interpretations to existing standards were issued by IASB but are not effective for 2012. The early adoption of these standards is encouraged by IASB.

. IAS 1, "Presentation of financial statements". The main change is a requirement for entities to group items presented in "other comprehensive income" on the basis of whether they will be reclassified to profit or loss or remain in equity. The amendment to the standard is applicable as from January 1, 2013. The Companies expect that the adoption of this amendment will only give rise to impacts on disclosure.

. IFRS 9, "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at

amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Companies are yet to assess IFRS 9's full impact. The standard is applicable as from January 1, 2015.

. IFRS 10, "Consolidated financial statements". This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control. The standard is applicable as from January 1, 2013. It is not applicable for the Companies.

. IFRS 11, "Joint arrangements" was issued in May 2011. The standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. There are two types of joint arrangements: (i) joint operations - arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses; and (ii) joint ventures - arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. The proportional consolidation method will no longer be permitted in joint ventures. The standard is applicable as from January 1, 2013. It is not applicable for the Companies.

. IFRS 12, "Disclosures of interests in other entities". IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The standard is applicable as from January 1, 2013. It is not applicable for the Companies.

. IFRS 13,"Fair value measurement" was issued in May 2011. IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS or US GAAP. The standard is applicable as from January 1, 2013. The impact of this standard will be basically an addition to disclosure.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Companies.

3 Estimates and critical accounting judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

Depreciation

Depreciation of the assets is calculated using the straight-line method to reduce the cost to residual values over their estimated useful lives.

4 Financial risk management

(a) Identification and valuation of financial instruments

The Companies maintains financial instruments comprised by cash and cash equivalents, short term investments, accounts receivable, suppliers and financing for the construction of the Drillships.

(b) Financial risk management policy

The Companies adopt financial policies that set forth the guidelines for the management of risks. In accordance with the policies, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. The credit limits and hedge quality of counterparties are also periodically reviewed.

Under these policies, market risks are hedged when the Companies believe it is necessary to support corporate strategy.

According to the risk management policy, derivative instruments for speculative trading purposes are not allowed.

(c) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers. For banks and other financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The Companies have signed long term contracts with Petrobras for chartering three Drillships. The contract terms are seven years for ODN Six and ODN Tay IV, and ten years for ODN I GmbH, renewable for an equivalent period. Petrobras has investment grade rating assigned by the main rating agencies and its investment grade was rated BBB by Fitch.

(d) Liquidity risk

This is the risk of the Companies not having sufficient liquid funds to meet their financial commitments, due to mismatch of terms or volume in expected receipts and payments.

To manage liquidity, cash disbursements and receipts are determined and monitored on a daily basis by the treasury department, including negative working capital situation on December 31, 2013 from which the Company will have the financial resources provided by parent Company, if necessary.

The table below presents the Companies financial liabilities analyzed by maturity, corresponding to the period remaining on the balance sheet date until the contractual maturity. The values reported in the table are undiscounted cash flows contracted.

In thousands of U.S. dollars, unless otherwise indicated

	At December 31, 2012			
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Principal of financing	178,103	182,489	705,806	787,988
Interest on financing	49,637	53,071	122,592	69,929
Accounts payable	17,922			

	At December 31, 2011			
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Principal of financing	75,497	166,312	486,201	498,367
Interest on financing	42,761	61,760	120,311	92,851
Accounts payable	7,101			

(e) Market risk - interest rate risk

This risk arises from the possibility that the Companies incur losses due to fluctuations in interest rates that lead to an increase in financial expenses related to financing obtained. The financing contracted by the Companies are subject to fixed interest rates.

5 Financial instruments by category

(i) The financial assets are classified as follows:

Assets	December 31, 2012	December 31, 2011
Loans and receivable		
Cash and cash equivalents (Note 6)	85,467	40,178
Trade accounts receivable	25,385	4,679
Other receivable (*)	47	
	110,899	44,857
Financial assets measured at fair value through profit or loss		
Short-term investments (Note 7)	7,928	
	118,827	44,857

In thousands of U.S. dollars, unless otherwise indicated

(*) prepayments are excluded from "Other receivables"

(ii) The financial liabilities are classified as follows:

Liabilities	**December 31, 2012**	**December 31, 2011**
Other financial liabilities		
Financings (Note 9)	1,854,396	11,208,276
Trade accounts payable (Note 10)	28,557	7,101
	1,882,953	11,215,377

6 Cash and cash equivalents

	December 31, 2012	**December 31, 2011**
Bank deposits	85,467	40,178
	85,467	40,178

At December 31, 2012 and 2011, bank deposits are represented by funds available in current account basically with HSBC and Bank of America, denominated in US dollars and rated A+ and A- by Fitch agency, respectively.

7 Short-term investments

At December 31, 2012, short-term investments are represented by escrow accounts basically with Bank of America, denominated in US dollars and rated A- by Fitch agency.

8 Equipment

Equipment, amounting to US$ 2,577,449 (US$ 1,647,431 – 2011) relates to expenditures incurred in the construction of the Drillships ODN Six, ODN I, ODN II and ODN Tay IV, including financial charges on the project finance structured loan (Note 9) capitalized during the construction phase, less accumulated depreciation. The balance is denominated in U.S. dollars and was transferred to the equipment account upon commencement of operations.

In thousands of U.S. dollars, unless otherwise indicated

	Drillship in construction	Drillship	Total
At January 1, 2011	879,614		879,614
Transfer to Drillships	(567,207)	567,207	
Acquisitions	681,744	49,687	731,431
Depreciation		(3,169)	(3,169)
Financing costs	39,555		39,555
Net balance	1,033,706	613,725	1,647,431
At December 31, 2011			
Cost	1,033,706	616,894	1,650,600
Accumulated depreciation		(3,169)	(3,169)
Net balance	1,033,706	613,725	1,647,431
At January 1, 2012	1,033,706	613,725	1,647,431
Transfer	(1,274,615)	1,274,615	
Acquisitions	871,794	37,691	909,485
Depreciation		(35,995)	(35,995)
Financing costs	56,528		56,528
Net balance	687,413	1,890,036	2,577,449
At December 31, 2012			
Cost	687,413	1,929,200	2,616,613
Accumulated depreciation		(39,164)	(39,164)
Net balance	687,413	1,890,036	2,577,449

9 Financings

	December 31, 2012	December 31, 2011
Syndicate of banks	1,854,396	1,208,276
Current	(201,689)	(88,346)
Non-current	1,652,707	1,119,930

In thousands of U.S. dollars, unless otherwise indicated

On August 17, 2007 and on December 14, 2010, ODS and ODN I GmbH signed Project Finance contracts amounting to US$ 430,000 and US$ 1,050,000 respectively, to finance the equivalent to 80% of the total construction costs of the Drillships. The remaining portion will be financed with own capital.

On June 26, 2012, ODS's assets and liabilities were transferred to ODN Six, and, therefore, the responsibility for financing was assumed by ODN Six.

The principal of the financing of ODN Six is being repaid in semi-annual installments as from October 2010. The final installment is scheduled for April 2017. The interest is paid in April and October of each year and the final settlement is scheduled for April 2017. The principal of the financing of ODN I GmbH will be repaid in semi-annual installments as from March 2013. The final installment is scheduled for July 2022. The interest incurred is paid in March and September of each year and the final settlement is scheduled for July 2022.

On June 6, 2011, ODN Tay IV GmbH contracted bridge loans amounting to US$ 27,000 maturing on January 31, 2012, for the purpose of financing the initial costs of the acquisition of the sub-submersible rig Stena Tay. Up to December 31, 2011, ODN Tay IV GmbH contracted new tranches of this bridge loan amounting to US$ 459,000.

On December 22, 2011, ODN Tay IV GmbH signed the final Project Finance contract in the amount of US$ 470,000. The resources of the Project Finance, released on January 13, 2012, were used to settle the bridge loans.

The principal amount will be settled in accordance with the repayment schedule, which takes into consideration six-month intervals as from June 2013. The final installment is scheduled for June 2019. The interest incurred will be settled every six months in June and December and the final settlement is scheduled for June 2019.

Financial charges were capitalized during the construction phase and they have been recorded in the statement of income since the commencement of operations.

The guarantees are limited to rights deriving from the specific project, with no right of recourse against OOG or other entities of the Odebrecht Organization.

At December 31, 2012, financing amounts to US$ 1,854,396, of which US$ 201,689 refers to installments and interest due within the following 12 months, and, therefore, is presented as current liabilities.

Composition of long-term financing per year of maturity:

	December 31, 2012	December 31, 2011
2013		108,188
2014	177,886	130,336
2015	201,787	144,610
2016	233,414	168,495
2017	259,206	190,763
2018 onwards	780,414	377,538
	1,652,707	1,119,930

In thousands of U.S. dollars, unless otherwise indicated

At December 31, 2012 the Companies are in compliance with all related financing covenants.

10 Accounts payable

	December 31, 2012	December 31, 2011
Current liabilities		
Accounts payable to Petrobras (i)	12,500	
Other accounts payable	5,422	7,101
	17,922	7,101
Non-current liabilities		
Accounts payable to Petrobras (i)	9,730	
	27,652	7,101

(i) ODN I GmbH has signed with Petrobras an agreement to pay the amount of US$ 22,730 regarding charges for late delivery of the drillships. The amount will be paid in installments, being US$ 12,500 in February 2013 and US$ 9,730 from April to December 2014.

11 Dividends

The dividends distribution was based on the retained earnings of ODN Six GmbH of October 31, 2012 considering the transfer of ODS on June 26, 2012. The balance used to calculate the dividends distribution is in accordance with the Austrian GAAP due the fact that Tay IV is established in Vienna and closed its fiscal year on October 31, 2012.

The Company's management approved in a meeting held on November 21, 2012, a dividend distribution to the shareholder OOG GmbH in the amount of US$ 17,001, which was paid on November 23, 2012. This distribution was based on the retained earnings as of October 31, 2012.

12 Costs of services rendered

	December 31, 2012	December 31, 2011
Assistance (i)	27,538	
Depreciation	35,995	3,169
ICMS	35,700	
Insurance	2,102	78
Others	2,542	2,093
	103,877	5,340

(i) with respect to administrative, managerial and technical matters.

In thousands of U.S. dollars, unless otherwise indicated

13 Finance costs

	December 31, 2012	December 31, 2011
Interest on project finance	43,933	12,181
	43,933	12,181

14 Related parties

During 2012, ODN I GmbH was invoiced by Odebrecht Oil Service Ltd ("OOSL") in the amount of US$ 63,238 (US$ nil – 2011) referring to the vessel maintenance contract (SOISA) and reimbursements for the import tax charges (ICMS). There is no outstanding amount in the balance sheet at December 31, 2012 regarding transactions with related parties.

15 Equity

Capital increases during 2012 amounted to US$ 24 (US$ 38,881 - 2011) correspond to equity contributions from OOSL related to own resources for the construction of Norbe VI.

Additional paid-in capital during 2012 amounted to US$ 286,684 (US$ 197,735 - 2011) and corresponds to an indirect capital contribution from OOG, related to own resources for the construction of Drillships.

On June 26, 2012 OOG made a contribution in kind to ODN Six of its indirect interests in ODS in the amount of US$ 282,614. Following this transaction ODS transferred all its assets and liabilities to ODN Six at book value and US$ 61,147 refers to the additional paid-in capital transferred from ODS, totalizing US$ 221,466. The amount of US$ 169,097 and US$ 52,369 refers to the capital and accumulated earnings of ODS until the data of its transference, respectively. The transaction was made with parties under common control.

16 Subsequent events

On March 2, 2013, ODN Tay IV started its operations under an agreement signed with Petrobras for a period of seven years, renewable for an additional period of up to seven years by mutual agreement of the parties.

On April 8, August 9, and December 16, 2013, ODN I paid dividends to ODN Holding GmbH in the amounts of US$ 37,600, US$ 46,847 and US$ 5,579, respectively.

On August 9, 2013 and December 18, 2013, ODN Six paid dividends to OOG GmbH in the amounts of US$ 178,508 and US$ 37,885 respectively.

On July 26, 2013, the related party Odebrecht Offshore Drilling Finance Limited, headquartered in Cayman Island, issued Senior Secured Notes (Bond) in the amount of US$ 1,690,000 with a 6.75% p.a. coupon priced at 99.994% of the face value. The funds arising from the Bond were partially transferred to ODN I through intercompany loan, agreed for the same term, conditions and interest rate, and were partially used to settle the project finance contracted in 2010.

The Companies and Petrobras were in discussions about the applicability of charges for late delivery of the drillship. On November 29, 2013, the Companies and Petrobras signed an agreement to settle all charges for late delivery of the assets related to the charter contract, compensated by technical improvements in the drillship as requested by Petrobras.

* * *

ODN I GmbH

Consolidated financial statements
at December 31, 2013
and independent auditor's report

Independent Auditor's Report

To the Board of Directors and Shareholders
ODN I GmbH

We have audited the accompanying financial statements of ODN I GmbH, which comprise the balance sheet as at December 31, 2013 and the statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, Av. Tancredo Neves 620, 30º e 34º, Ed. Empresarial Mundo Plaza, Caminho das Árvores, Salvador, BA, Brasil 41820-020, T: (71) 3319-1900, F: (71) 3319-1937, www.pwc.com/br

ODN I GmbH

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of ODN I GmbH as at December 31, 2013, and its financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Salvador, February 10, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Felipe Edmond Ayoub
Contador CRC 1SP187402/O-4 "S" RJ

ODN I GmbH

Balance sheet
In thousands of U.S. dollars

Assets	December 31, 2013	December 31, 2012	Liabilities and equity
Current assets			**Current liabilities**
Cash and cash equivalents (Note 6)	26,750	82,940	Financings (Note 8)
Accounts receivable	28,739	22,283	Accounts payable (Note 9)
Related parties (Note 11)	48,373		Contractual obligations (Not
Other assets	218	131	Related parties (Note 11)
	104,080	105,354	
			Non-current liabilities
			Financings (Note 8)
Non-current assets			Accounts payable (Note 9)
Other assets	7,001		
Equipment (Note 7)	1,267,920	1,295,103	
	1,274,921	1,295,103	**Equity (Note 14)**
			Capital
			Additional paid-in capital
			Retained earnings (Accumula losses)
Total assets	1,379,001	1,400,457	Total liabilities and equity

The accompanying notes are an integral part of these financial statements.

ODN I GmbH

Statement of income
For the year ended December 31
In thousands of U.S. dollars

	2013	2012
Continuing operations		
Revenue	240,170	152,721
Costs of services rendered (Note 12)	(133,797)	(76,754)
Operating profit	106,373	75,967
Finance costs (Note 13)	(74,675)	(21,459)
Profit for the year	31,698	54,508

The accompanying notes are an integral part of these financial statements.

ODN I GmbH

Statement of changes in equity
In thousands of U.S. dollars

	Capital	Additional paid-in capital	Retained earnings (Accumulated losses)	Total
At January 1, 2012	48	96,976		97,024
Capital increase (Note 14)		170,479		170,479
Profit for the year			54,508	54,508
At December 31, 2012	48	267,455	54,508	322,011
Capital increase (Note 14)		11,964		11,964
Profit for the year			31,698	31,698
Dividends (Note 14)			(90,026)	(90,026)
At December 31, 2013	48	279,419	(3,820)	275,647

The accompanying notes are an integral part of these financial statements.

ODN I GmbH

Statement of cash flows
For the year ended December 31
In thousands of U.S. dollars

	2013	2012
Cash flows from operating activities		
Profit for the year	31,698	54,508
Adjustments		
Depreciation	53,286	13,040
Finance costs	74,647	19,313
	159,631	86,861
Changes in assets and liabilities		
Accounts receivable	(6,456)	(22,283)
Other assets	(7,088)	129
Accounts payable	(21,520)	(20,325)
Net cash provided by operating activities	124,567	84,774
Cash flows from investing activities		
Additions to equipment	(2,397)	(812,502)
Net cash used in investing activities	(2,397)	(812,502)
Cash flows from financing activities		
From shareholders		
Capital increase	11,964	170,479
Dividend payment	(90,026)	
Financings		
Financing Obtained	7,592	661,418
Repayments of principal	(44,148)	
Payment of interest	(63,742)	(30,780)
Net cash provided (used in) by financing activities	(178,360)	801,117
Increase (decrease) in cash and cash equivalents	(56,190)	73,389
Cash and cash equivalents at the beginning of the year	82,940	9,551
Cash and cash equivalents at the end of the year	26,750	82,940

Non cash transactions:
(i) Additions to equipment in the amount of US$ 23,706 with counter-parties in related parties.
(ii) Changes in assets and liabilities in the amount of US$ 48,373 with counter-parties in related parties.
(iii) The project finance was settled with funds arising from the Bond in the amount of US$ 1,046,435.

The accompanying notes are an integral part of these financial statements.

1 Operating context

ODN I GmbH ("Company") was acquired by the OOG Group on March 12, 2010 and is established in Vienna (Austria). Its operations comprise the charter of two dynamic positioning ultra deepwater drilling units, named ODN I and ODN II ("ODN I" and "ODN II" or "Drillships") for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petroleo Brasileiro S.A. - Petrobras on July 25, 2008. The contract is for a period of ten years, as from the operations start-up, renewable for an additional period of up to ten years by mutual agreement of the parties.

The Company's sole shareholder is ODN Holding GmbH ("ODN Holding"), established in accordance with the laws of Vienna (Austria). The Company is part of the Odebrecht Oil and Gas Organization, the ultimate holding company of which is Odebrecht Óleo e Gás S.A. ("OOG"), incorporated in Rio de Janeiro, Brazil.

On September 12, 2012 and August 28, 2012, ODN I and ODN II respectively started their operations under the agreement with Petrobras.

As of December 31, 2013, the Company had negative working capital of US$ 17,022 due to the payment of principal and interest on the loans, considering a quarterly schedule. However, based on the cash flow projections of the charter contracts and financial resources provided by parent Company, management believes the Company will pay the loan with these resources and correct the negative working capital situation.

The issuance of these financial statements was authorized by the Directors on February 06, 2014.

2 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in the process of applying the Company's accounting policies.

The financial statements have been prepared and are being presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board.

The Company's functional currency is the U.S. dollar, which is also the currency in which the accounting records are maintained.

At December 31, 2013 and 2012, the Company did not have any comprehensive income other than that included in the statement of income. Therefore, the statements of comprehensive income for the years then ended are not being presented.

In thousands of U.S. dollars, unless otherwise indicated

2.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and other highly liquid short-term investments falling due within 90 days and which can be immediately converted into a known cash amount, with insignificant risk of change in value.

2.3 Accounts receivable

Accounts receivables are amounts due from customers for services rendered in the ordinary course of the Company's business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

The receivables are recognized at the amount billed, adjusted by the provision for impairment, when necessary.

2.4 Equipment

Equipment is stated at historical cost less accumulated depreciation and includes expenditure that is directly attributable to the acquisition of the items and finance costs related to the acquisition of qualifying assets during the period necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance costs are charged to the statement of income during the period in which they are incurred.

The depreciation of the drillship ODN II is calculated using the straight-line method to reduce the cost to residual value over the estimated useful lives, as follows:

	Useful life
Vessels	30 years
Floaters	8 years
Riser columns	8 years
Drilling column	4 years

On September 30, 2013 the Company reviewed the main components of the drillship ODN I and revised the estimated useful lives, as follows:

	Useful life
Drilling equipment and systems	6-35 years
Hull and structure	6-35 years
Inventory and maintenance system	12 years
Machinery	12-18 years
Equipment for crew	12-24 years
Platform equipment	18-35 years
Platform common systems	18-35 years
Systems/main machinery components	18-35 years

The drillships have been depreciated since September, 2012, which is the operation start date.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of income.

2.5 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Each drillship represents the cash-generating unit of the Company Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

2.6 Financings

Financings are recognized initially at fair value, net of transaction costs incurred. Financings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the settlement value is recognized in the statement of income over the period of the financing using the effective interest method.

Incremental costs incurred on the establishment of borrowing facilities are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs, when the amount is reclassified to financial liability, reducing the net amount by the draw down and changing the effective interest rate. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it is related.

Financings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.7 Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, they are usually recognized at the amount of the related invoice.

2.8 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of taxes, rebates and discounts.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Company's activities.

The revenue is calculated by multiplying the day rate for each drillship by the availability expressed as a percentage of the number of days of availability in the applicable period.

2.9 Income tax

The Company did not engage in operations, in the periods presented, subject to income tax in Austria.

2.10 Lease contracts – The Company as lessee

As described in Note 1, the Company is a party to a charter contract. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the charter contract are accounted for on the accrual basis and reflect a defined daily rate, for a period of ten years, renewable for up to an additional ten years by mutual agreement of the parties.

2.11 Investments

Jointly-controlled entities are all those over which the Company shares control with one or more parties. Investments in jointly-controlled entities are accounted for using the equity method and are initially recognized at cost.

On December 31, 2013, ODN I GmbH owns 66.67% and Norbe Six owns 33.3% of the share capital of Odebrecht Offshore Drilling Finance Limited ("ODFL"). Notwithstanding the percentage ownership, all decisions with respect to any matters to be determined by vote of the holders of the shares of ODFL shall be made on a joint basis, as if each of ODN I and Norbe Six were entitled to vote 50% of all of the shares.

2.12 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards, amendments and interpretations to existing standards were issued by IASB but are not effective for 2013.

. IFRS 9, "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Company is yet to

assess IFRS 9's full impact. The standard is applicable as from January 1, 2015.

. IFRIC 21,"Levies". The interpretation clarified when an entity should recognize an obligation to pay levies according to the legislation. An obligation should only be recognized when an event that results in an obligation occurs. This interpretation is applicable as from January 1, 2014.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3 Estimates and critical accounting judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

Depreciation

Depreciation of the assets is calculated using the straight-line method to reduce the cost to residual values over their estimated useful lives.

4 Financial risk management

(a) Identification and valuation of financial instruments

The Company maintain financial instruments, comprised by cash and cash equivalents, accounts receivable, suppliers and financing for the construction of the drillship.

(b) Financial risk management policy

The Company has a financial policy that sets forth the guidelines for the management of risks. In accordance with this policy, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. The credit limits and hedge quality of counterparties are also periodically reviewed.

Under the policy, market risks are hedged when the Company believes it is necessary to support corporate strategy.

According to the risk management policy, derivative instruments for speculative trading purposes are not allowed.

(c) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers. For banks and other financial institutions, only independently rated parties above investment grade (BBB -) are accepted. The Company has signed a long term contract with Petrobras for chartering two drillships. The contract terms are ten years, renewable for an equivalent period. Petrobras has investment grade rating assigned by the main rating agencies and its investment grade was rated BBB by Fitch agency.

In thousands of U.S. dollars, unless otherwise indicated

(d) Liquidity risk

This is the risk of ODN I GmbH's not having sufficient liquid funds to meet its financial commitments, due to mismatch of terms or volume in expected receipts and payments.

To manage liquidity, cash disbursements and receipts are determined and monitored on a daily basis by the treasury department, including negative working capital situation on December 31, 2013 from which the Company will have the financial resources provided by parent Company, if necessary.

The table below presents ODN I GmbH's financial liabilities analyzed by maturity, corresponding to the period remaining on the balance sheet date until the contractual maturity. The values reported in the table are undiscounted cash flows contracted.

	At December 31, 2013			
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
Principal of financing	51,940	60,799	194,622	811,493
Interest on financing	74,165	70,541	185,773	168,531
Accounts payable	4,698			

	At December 31, 2012			
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
Principal of financing	56,025	77,186	299,411	617,378
Interest on financing	27,192	33,753	84,447	63,358
Accounts payable	16,488			

(e) Market risk - interest rate risk

This risk arises from the possibility that ODN I GmbH incurs losses due to fluctuations in interest rates that lead to an increase in financial expenses related to financing obtained. The financing contracted by the Company is subject to fixed interest rates.

In thousands of U.S. dollars, unless otherwise indicated

5 Financial instruments by category

(i) The financial assets are classified as follows:

Assets	**December 31, 2013**	**December 31, 2012**
Loans and receivable		
Cash and cash equivalents (Note 6)	26,750	82,940
Trade accounts receivable	28,739	22,283
Other receivable (*)	7,001	
	62,490	105,223

(*) prepayments are excluded from "Other receivables"

(ii) The financial liabilities are classified as follows:

Liabilities	**December 31, 2013**	**December 31, 2012**
Other financial liabilities		
Financings (Note 8)	1,025,165	1,052,228
Trade accounts payable	4,698	26,218
	1,029,863	1,078,446

6 Cash and cash equivalents

	December 31, 2013	**December 31, 2012**
Bank deposits	26,750	82,940
	26,750	82,940

At December 31, 2013 and 2012, bank deposits are represented by funds available in current account basically with Itaú BBA and HSBC, denominated in US dollars and rated BBB and A+ by Fitch agency, respectively.

7 Equipment

Equipment, amounting to US$ 1,254,386 (US$ 1,295,103 – 2012), relates to expenditures incurred in the construction of ODN I and ODN II, including financial charges on the project finance structured loan (Note 8) capitalized during the construction phase, less accumulated depreciation. The balance is denominated in U.S. dollars and was transferred to the equipment account upon commencement of operations.

In thousands of U.S. dollars, unless otherwise indicated

	Drillship in construction	Drillship	Total
At January 1, 2012	463,792		463,792
Transfer	(1,274,615)	1,274,615	
Acquisitions	778,974	33,528	812,502
Depreciation		(13,040)	(13,040)
Finance costs	31,849		31,849
Net balance		1,295,103	1,295,103
At December 31, 2012			
Cost		1,308,143	1,308,143
Accumulated depreciation		(13,040)	(13,040)
Net balance		1,295,103	1,295,103
At January 1, 2013		1,295,103	1,295,103
Acquisitions		26,103	26,103
Depreciation		(53,286)	(53,286)
Net balance		1,267,920	1,267,920
At December 31, 2013			
Cost		1,334,246	1,334,246
Accumulated depreciation		(66,326)	(66,326)
Net balance		1,267,920	1,267,920

8 Financings

	December 31, 2013	December 31, 2012
Project bond	1,025,165	
Project finance (Syndicate of banks)		1,052,228
Current	(42,913)	(77,045)
Non-current	982,252	975,183

On July 26, 2013, the related party Odebrecht Offshore Drilling Finance Limited, headquartered in Cayman Island, issued Senior Secured Notes (Bond) in the amount of US$ 1,690 million with a 6.75% p.a. coupon priced at 99. 994% of the face values for the purpose of restructuring the existing debt. The funds arising from the Bond were partially transferred to ODN I through intercompany loan, agreed for the same term, conditions and interest rate, and were partially used to settle the project finance contracted in 2010.

The intercompany loan will be settled in accordance with the Bond repayment schedule, which takes into consideration quarterly intervals as from December 2013. The final installment is scheduled for October 2022. The interest incurred will be settled every three months in March, June, September and December as from December 2013.

In thousands of U.S. dollars, unless otherwise indicated

The guarantees are limited to rights deriving from the specific project, with no right of recourse against OOG or other entities of the Odebrecht Organization.

At December 31, 2013, the balances of financing amounted to US$ 1,025,165, of which US$ 42,913 refers to the current liabilities.

Long-term amounts by maturity year are as follows:	December 31, 2013	December 31, 2012
2014		73,512
2015	46,242	87,841
2016	49,688	98,872
2017	54,160	103,721
2018	52,667	110,815
2019 onwards	779,495	500,422
	982,252	975,183

At December 31, 2013 the Company is in compliance with all related financing covenants.

9 Accounts payable

	December 31, 2013	December 31, 2012
Current liabilities		
Accounts payable to Petrobras (i)		12,500
Other accounts payable	4,698	3,988
	4,698	16,488
Non-current liabilities		
Accounts payable to Petrobras (i)		9,730
	4,698	26,218

(i) The Company and Petrobras signed an agreement to settle the charge for late delivery of the asset related to the charter contract. (See note 10).

10 Contractual obligations

	December 31, 2013	December 31, 2012
Petrobras	48,373	
	48,373	

In thousands of U.S. dollars, unless otherwise indicated

On November 29, 2013, the Company and Petrobras signed an agreement to settle all charges for late delivery of the asset related to the charter contract, compensated by technical improvements in the drillship as requested by Petrobras. These technical improvements are subject to amendment to the charter contract signed between the parties.

11 Related parties

During 2013 the Company was invoiced by Odebrecht Oil Service Ltd ("OOSL") in the amount of US$ 77,939 (US$ 63,238– 2012) referring to the vessel maintenance contract (SOISA) and reimbursements for the import tax charges (ICMS) (See Note 12).

The transactions with related parties in the balance sheet are described below:

- The account receivable from ODN Tay IV GmbH of US$ 43,787 and from Delba Drilling International Cöoperatie U.A ("Delba Coop") of US$ 4,586 at December 31, 2013 (2012 - US$ zero balance) refers to the agreement signed with Petrobras as described in Note 10.This agreement provides that the penalties for the late delivery of the assets will be converted into investments (technical improvements) in ODN I. These investments represent the settlement of the penalties, i.e. the Company reversed a penalty in an upgrade of the assets. In this context, ODN I recorded an intercompany loan with the semi-submersible rig Delba Coop and the drillship ODN Tay IV as compensation for the obligation to perform technical improvements.

- The account payable to OOSL of US$ 23,706 at December 31, 2013 (2012 - US$ zero balance), refers to a technical services agreement.

- The account payable to OOSL of US$ 1,412 at December 31, 2013 (2012 - US$ zero balance), refers to the transaction costs.

12 Costs of service rendered

	December 31, 2013	December 31, 2012
Assistance (i)	77,939	27,538
Depreciation	53,286	13,040
ICMS		35,700
Others	2,572	476
	133,797	76,754

(i) with respect to administrative, managerial and technical matters.

In thousands of U.S. dollars, unless otherwise indicated

13 Finance costs

	December 31, 2013	December 31, 2012
Interest on project finance and Bond	74,675	21,459
	74,675	21,459

14 Equity

Additional paid-in capital during 2013 amounting to US$ 11,964 (US$ 170,479 – 2012) corresponds to an indirect capital contribution from OOG, related to own resources for the construction of the two drillships.

On December 31, 2013, capital amounts to US$ 48 (US$ 48 - 2012) and consists of one quota share.

On April 8, August 9, and December 16, 2013, the Company paid dividends to ODN Holding GmbH in the amounts of US$ 37,600, US$ 46,847 and US$ 5,579, respectively.

The dividend distribution was based on the retained earnings of ODN I GmbH. The balance used to calculate the dividends distribution is in accordance with Austrian GAAP due the fact that the Company is established in Vienna.

* * *

ODN I GmbH

Financial Statements
at December 31, 2012
and independent auditor's report

pwc

Independent Auditor's Report

To the Board of Directors and Shareholders
ODN I GmbH

We have audited the accompanying financial statements of ODN I GmbH ("the Company"), which comprise the balance sheet as at December 31, 2012 and the statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

PricewaterhouseCoopers, Av. Tancredo Neves 620, 30º e 34º, Ed. Empresarial Mundo Plaza, Caminho das Árvores, Salvador, BA, Brasil 41820-020, T: (71) 3319-1900, F: (71) 3319-1937, www.pwc.com/br

ODN I GmbH

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of ODN I GmbH as at December 31, 2012, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Salvador, April 26, 2013

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Felipe Edmond Ayoub
Contador CRC 1SP187402/O-4 "S" RJ

ODN I GmbH

Balance sheet
In thousands of U.S. dollars

Assets	December 31, 2012	December 31, 2011	Liabilities and equity
Current assets			**Current liabilities**
Cash and cash equivalents (Note 5)	82,940	9,551	Financings (Note 7)
Accounts receivable	22,283		Accounts payable (Note 8)
Other assets	131	2	
	105,354	9,553	
			Non-current liabilities
Non-current assets			Financings (Note 7)
Equipment (Note 6)	1,295,103	463,792	Accounts payable (Note 8)
			Equity (Note 12)
			Capital
			Additional paid-in capital
			Retained earnings
Total assets	1,400,457	473,345	Total liabilities and equity

The accompanying notes are an integral part of these financial statements.

ODN I GmbH

Statement of income
Year ended December 31
In thousands of U.S. dollars

	2012
Continuing operations	
Revenue	152,721
Costs of services rendered (Note 10)	(76,754)
Operating profit	75,967
Finance costs (Note 11)	(21,459)
Profit for the year	54,508

The accompanying notes are an integral part of these financial statements.

ODN I GmbH

Statement of changes in equity
In thousands of U.S. dollars

	Capital	Additional paid-in capital	Retained earnings	Total
At January 1, 2011	48	70,300		70,348
Capital increase		26,676		26,676
At December 31, 2011	48	96,976		97,024
Capital increase (Note 12)		170,479		170,479
Profit for the year			54,508	54,508
At December 31, 2012	48	267,455	54,508	322,011

The accompanying notes are an integral part of these financial statements.

ODN I GmbH

Statement of cash flows
Years ended December 31
In thousands of U.S. dollars

	2012	2011
Cash flows from operating activities		
Profit for the year	54,508	
Adjustments		
Depreciation and amortization	13,040	
Finance costs	19,313	
	86,861	
Changes in assets and liabilities		
Accounts receivable	(22,283)	
Other assets	(129)	(1)
Other accounts payable	20,325	2,991
Net cash provided by operating activities	84,774	2,990
Cash flows from in investing activities		
Additions to equipment	(812,502)	(110,446)
Net cash used in investing activities	(812,502)	(110,446)
Cash flows from financing activities		
From shareholders		
Capital increase	170,479	26,676
Financings		
New borrowings	661,418	356,883
Repayments of borrowings		(257,117)
Payment of interest	(30,780)	(9,507)
Net cash provided by financing activities	801,117	116,935
Increase in cash and cash equivalents	73,389	9,479
Cash and cash equivalents at the beginning of the year	9,551	72
Cash and cash equivalents at the end of the year	82,940	9,551

The accompanying notes are an integral part of these financial statements.

1 Operating context

ODN I GmbH (the "Company") was acquired by OOG Group on March 12, 2010 and is established in Vienna (Austria). Its operations comprise the charter of two dynamic positioning ultra deepwaterdrilling units, named ODN I and ODN II ("ODN I" and "ODN II" or "Drillships") for drilling, assessment,completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petroleo Brasileiro S.A. - Petrobras on July 25, 2008. The contract is for a period of ten years, as from the operations start-up, renewble for an additional period of up to ten years by mutual agreement
of the parties.

The Company's sole shareholder is ODN Holding GmbH ("ODN Holding"), established in accordance with the laws of Vienna (Austria). The Company is part of the Odebrecht Oil and Gas Organization, the ultimate holding company of which is Odebrecht Óleo e Gás S.A., incorporated in Rio de Janeiro, Brazil.

On September 12, 2012 and August 28, 2012, ODN I and ODN II respectively started their operations under the agreement with Petrobras.

The issuance of these financial statements was authorized by the Directors on April 8, 2013.

2 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied through all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared at the historical cost basis. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in the process of applying the accounting policies.

The financial statements have been prepared and are being presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board.

The Company's functional currency is the U.S. dollar, which is also the currency that the accounting records are maintained.

The Company did not generate any gain or loss during the year ended December 31, 2011. Therefore, the statements of operations for the year then ended is not being presented.

During the years ended December 31, 2012 and 2011, the Company did not have any comprehensive income other than that included in the statement of income. Therefore, the statements of comprehensive income for the years then ended are not being presented.

2.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and other highly liquid short-term investments falling due within 90 days and which can be immediately converted into a known cash amount, with insignificant risk of change in value.

2.3 Accounts receivable

Accounts receivables are amounts due from customers for services rendered in the regular course of the Company's business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

They are recognized at the amount billed, adjusted by the provision for impairment, when necessary.

2.4 Equipment

Equipment is stated at historical cost less accumulated depreciation and includes expenditure that is directly attributable to the acquisition of the items and finance costs related to the acquisition of qualifying assets during the period necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance costs are charged to the statement of income during the period in which they are incurred.

Depreciation of the assets is calculated using the straight-line method to reduce the cost to their residual values over their estimated useful lives, as follows:

	Useful life
Vessels	30 years
Floaters	8 years
Riser columns	8 years
Drilling column	4 years

The drillships have been depreciated since September, 2012, which is the operation start date.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of income.

2.5 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

2.6 Financings

Financings are recognized initially at fair value, net of transaction costs incurred. Financings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the settlement value is recognized in the statement of income over the period of the financing using the effective interest method.

Incremental costs incurred on the establishment of credit facilities are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs, when the amount is reclassified to financial liability, reducing the net amount draw down and changing the effective interest rate. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the financing to which it is related.

Financings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.7 Accounts payable

Accounts payables are obligations to pay for goods or services that have been acquired from suppliers in the regular course of business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, they are usually recognized at the amount of the related invoice.

The Company and Petrobras are currently in discussions about the applicability of charges for late delivery of the drillship. The Company expects that the outcome of the negotiation will be favorable, and that no future disbursements will be required.

2.8 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of taxes, rebates and discounts

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Company's activities.

2.9 Lease contracts – The Company as lessee

As described in Note 1, the Company is a party to a charter contract. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the charter contract are accounted for on the accrual basis and reflect a defined daily rate, for a period of ten years, renewable for up to an additional ten years by mutual agreement of the parties.

2.10 Income tax

The Company did not engage in operations, in the periods presented, subject to income tax in Austria.

2.11 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards, amendments and interpretations to existing standards were issued by IASB but are not effective for 2012.

. IAS 1, "Presentation of financial statements". The main change is a requirement for entities to group items presented in "other comprehensive income" on the basis of whether they will be reclassified to profit or loss or remain in equity. The amendment to the standard is applicable as from January 1, 2013. The Company expects that the adoption of this amendment will only give rise to impacts on disclosure.

. IFRS 9, "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The standard is applicable as from January 1, 2015.

. IFRS 10, "Consolidated financial statements. This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control. The standard is applicable as from January 1, 2013. The Company expects that its adoption will not generate impacts on its financial statements.

. IFRS 12, "Disclosures of interests in other entities" . IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The standard is applicable as from January 1, 2013. The impact of this standard will be basically an addition to disclosure.

. IFRS 13,"Fair value measurement" was issued in May 2011. IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS or US GAAP. The standard is applicable as from January 1, 2013. The impact of this standard will be basically an addition to disclosure.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3 Estimates and critical accounting judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

(a) Depreciation

Depreciation of the assets is calculated using the straight-line method to reduce the cost to their residual values over their estimated useful lives.

4 Financial risk management

(a) Identification and valuation of financial instruments

The Company maintains financial instruments, comprised of financing for the construction of the Drillship.

(b) Financial risk management policy

The Company has a financial policy that sets forth the guidelines for the management of risks. In accordance with this policy, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. The credit limits and hedge quality of counterparties are also periodically reviewed.

Under the policy, market risks are hedged when the Company believes it is necessary to support corporate strategy.

According to the risk management policy, derivative instruments for speculative trading purposes are not allowed.

(c) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers. For banks and other financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The Company has signed a long term contract with Petrobras for chartering two drillships. The contract terms are ten years, renewable for an equivalent period. Petrobras has investment grade rating assigned by the main rating agencies and its investment grade was rated AAA by Fitch (Brazilian scale).

(d) Liquidity risk

This is the risk of ODN I GmbH's not having sufficient liquid funds to meet its financial commitments, due to mismatch of terms or volume in expected receipts and payments.

In thousands of U.S. dollars, unless otherwise indicated

To manage liquidity, cash disbursements and receipts are determined and monitored on daily basis by the treasury department.

The table below presents ODN I GmbH's financial liabilities ranged by maturity, corresponding to the period remaining on the balance sheet date until the contractual maturity. The value reported in the table are undiscounted cash flows contracted.

	At December 31, 2012			
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
Principal of financing	56,025	77,186	299,411	617,378
Interest on financing	27,192	33,753	84,447	63,358

	At December 31, 2011			
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
Principal of financing		20,706	99,994	267,881
Interest on financing	24,357	39,798	92,163	86,199

(e) Market risk - interest rate risk

This risk arises from the possibility that ODN I GmbH incurs losses due to fluctuations in interest rates that lead to an increase in financial expenses related to financing obtained. The financing contracted by the Company is subject to fixed interest rates.

In thousands of U.S. dollars, unless otherwise indicated

5 Cash and cash equivalents

	December 31, 2012	December 31, 2011
Bank deposits	82,940	9,552
	82,940	9,552

At December 31, 2012 and 2011, bank deposits are represented by funds available in current account denominated in US dollars with first-class financial institutions abroad.

6 Equipment

Equipment, amounting to US$ 1,295,103, relates to expenditures incurred in the construction of ODN I and ODN II, including financial charges on the project finance structured loan (Note 7) capitalized during the construction phase, less accumulated depreciation. Balance is denominated in U.S. dollars and was transferred to the equipment account upon commencement of operations.

	Drillship in construction	Drillship	Total
At January 1, 2011	331,031		331,031
Acquisitions	110,446		110,446
Finance costs	22,315		22,315
Net balance	463,792		463,792
At December 31, 2011			
Cost	463,792		463,792
Accumulated depreciation			
Net balance	463,792		463,792
At January 1, 2012	463,792		463,792
Transfer	(1,274,615)	1,274,615	
Acquisitions	778,974	33,528	812,502
Depreciation		(13,040)	(13,040)
Finance costs	31,849		31,849
Net balance		1,295,103	1,295,103
At December 31, 2012			
Cost		1,308,143	1,308,143
Accumulated depreciation		(13,040)	(13,040)
Net balance		1,295,103	1,295,103

In thousands of U.S. dollars, unless otherwise indicated

7 Financings

	December 31, 2012	December 31, 2011
Syndicate of banks	1,052,228	370,428
Current	(77,045)	(8,810)
Non-current	975,183	361,618

On December 14, 2010, ODN I GmbH signed a Project Finance contract amounting to US$ 1,050,000 to finance the equivalent of 80% of the total construction costs of the two drillships ODN I and ODN II. The remaining portion was financed with its own capital. The funds from the Project Finance, released on February 15, 2011, were used to settle previously held bridge loans. The resources were received in accordance with the constructions schedule, being US$ 1,050,000 through December 31, 2012. As at December 31, 2012 transaction costs incurred amounted to US$ 22,707.

Payments are contracted to be made as follows:

	December 31, 2012	December 31, 2011
2013		19,304
2014	73,512	26,583
2015	87,841	31,411
2016	98,872	35,089
2017	103,721	36,621
2018 onwards	611,237	212,610
	975,183	361,618

At December 31, 2012 the Company is in compliance with all related financing covenants.

8 Accounts payable

	December 31, 2012	December 31, 2011
Current liabilities		
Accounts payable to Petrobras (i)	12,500	
Other accounts payable	3,988	5,893
	16,488	5,893
Non-current liabilities		
Accounts payable to Petrobras (i)	9,730	
	26,218	5,893

In thousands of U.S. dollars, unless otherwise indicated

(i) The Company has signed with Petrobras an agreement to pay the amount of US$22,230 regarding charges for late delivery of the drillships. The amount will be paid in installments, being US$ 12,500 in February 2013 and US$ 9,730 from April to December 2014.

9 Related parties

During 2012 the Company was invoiced by Odebrecht Oil Service Ltd ('OOSL") at the amount of US$ 63,238 (US$ 0,00 – 2011) referring to a vessel maintenance contract (SOISA) and reimbursements for the import tax charges (ICMS). There is no outstanding value in the balance sheet in December 31, 2012 regarding transactions with related parties.

10 Costs of service rendered

On December 31, the costs of services rendered are comprised of depreciation and the cost of assistance with respect to administrative, managerial and technical matters.

11 Finance costs

	December 31, 2012
Interests on project finance	21,439
	21,459

12 Equity

Additional paid-in capital amounted during 2012 to US$ 170,479 (US$ 26,676 – 2011) corresponds to an indirect capital contribution from OOG, related to own resources for the construction of the two drillships.

On December 31, 2012, capital amounts to US$ 48 (US$ 48 - 2011) and consists of one quota.

* * *

Odebrecht Drilling
Norbe Six GmbH and its subsidiary
Consolidated financial statements
at December 31, 2013
and independent auditor's report

pwc

Independent Auditor's Report

To the Board of Directors and Shareholders
Odebrecht Drilling Norbe Six GmbH

We have audited the accompanying consolidated financial statements of Odebrecht Drilling Norbe Six GmbH and its subsidiary, which comprise the balance sheet as at December 31, 2013 and the statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, Av. Tancredo Neves 620, 30º e 34º, Ed. Empresarial Mundo Plaza, Caminho das Árvores, Salvador, BA, Brasil 41820-020, T: (71) 3319-1900, F: (71) 3319-1937, www.pwc.com/br

Odebrecht Drilling Norbe Six GmbH

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Odebrecht Drilling Norbe Six GmbH and its subsidiary as at December 31, 2013, and their financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Salvador, February 10, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Felipe Edmond Ayoub
Contador CRC 1SP187402/O-4 "S" RJ

Odebrecht Drilling Norbe Six GmbH and its subsidiary
Consolidated balance sheet
In thousands of U.S. dollars

Assets	December 31, 2013	December 31, 2012
Current assets		
Cash and cash equivalents (Note 6)	4,634	2,521
Short-term investments (Note 7)	6,564	7,656
Accounts receivable	7,252	3,102
Related parties (Note 8)	20,545	
Prepaid expenses	27	1,501
Other assets	49	49
	39,071	14,829
Non-current assets		
Equipment (Note 9)	578,318	594,933
Total assets	617,389	609,762

Liabilities and equity	
Current liabilities	
Financings (Note 10)	
Contractual obligation (Note	
Accounts payable	
Related parties (Note 8)	
Non-current liabilities	
Financings (Note 10)	
Equity (Note 14)	
Capital	
Additional paid-in capital	
Accumulated losses	
Total equity	
Total liabilities and equity	

The accompanying notes are an integral part of these consolidated financial statements.

Odebrecht Drilling Norbe Six GmbH and subsidiary

Consolidated statement of income
For the year ended December 31
In thousands of U.S. dollars

	2013	2012
Continuing operations		
Revenue	67,994	31,905
Costs of services rendered (Note 12)	(30,330)	(17,919)
Operating profit	37,664	13,986
Finance costs (Note 13)	(28,971)	(12,843)
Profit for the year	8,693	1,143

The accompanying notes are an integral part of these consolidated financial statements.

Odebrecht Drilling Norbe Six GmbH and subsidiary

Statement of changes in equity
In thousands of U.S. dollars

	Capital	Unpaid capital	Additional paid-in capital	Accumulated losses	Total
At January 1, 2012	48	(24)			24
Capital increase (Note 14)			285,445		285,445
Profit for the year				1,143	1,143
Dividends				(17,001)	(17,001)
At December 31, 2012	48	(24)	285,445	(15,858)	269,611
Capital increase (Note 14)			10,830		10,830
Profit for the year				8,693	8,693
Dividends (Note 14)				(216,393)	(216,393)
At December 31, 2013	48	(24)	296,275	(223,558)	72,741

The accompanying notes are an integral part of these consolidated financial statements.

Odebrecht Drilling Norbe Six GmbH and subsidiary

Consolidated statement of cash flows
For the year ended December 31
In thousands of U.S. dollars

	2013	2012
Cash flows from operating activities		
Profit for the year	8,693	1,143
Adjustments		
Depreciation	24,352	14,204
Finance costs	28,878	12,839
	61,923	28,186
Changes in assets and liabilities		
Accounts receivable	(4,150)	(3,102)
Prepaid expenses	1,474	(1,501)
Accounts payable	(990)	2,070
Net cash provided by operating activities	58,257	25,653
Cash flows from investing activities		
Additions to equipment	(1,904)	(676)
Short-term investments	1,092	(7,656)
Net cash used in investing activities	(812)	(8,332)
Cash flows from financing activities		
From shareholders		
Capital increase	10,830	2,831
Dividend payment	(216,393)	(17,001)
Financings		
Financing obtained	203,038	
Repayments of borrowings	(30,467)	(22,600)
Payment of interest	(22,340)	(11,339)
Net cash used in financing activities	(55,332)	(48,109)
Cash received from Norbe VI transfer		19,465
Increase (decrease) in cash and cash equivalents	2,113	(11,323)
Cash and cash equivalents at the beginning of the year	2,521	24
Cash and cash equivalents at the end of the year	4,634	(11,299)

Non cash transactions:
(i) Additions to equipment in the amount of US$ 5,833 with counter-parties in related parties.
(ii) Changes in assets and liabilities in the amount of US$ 19,133 with counter-parties in related parties.
(iii) The project finance was settled with funds arising from the Bond in the amount of US$ 314,550.

The accompanying notes are an integral part of these consolidated financial statements.

In thousands of U.S. dollars, unless otherwise indicated

1 Operating context

Odebrecht Drilling Norbe Six GmbH ("ODN Six" or "Company") was acquired on September 17, 2010 and is established in Vienna (Austria). On June 26, 2012 the Company's parent increased its investment in the Company by contributing shares of an investee. As a result, the Company became the owner of Odebrecht Drilling Services LLC ("ODS") assets and operations. This transaction was accounted for at historical carrying values as it was performed between entities under common control.

The equity of ODS, and its operating assets and liabilities transferred were as follows on June 26, 2012:

Current assets	
Cash and cash equivalents	13,820
Accounts receivable	19,465
Other assets	49
	33,334
Non-current assets	
Equipment	608,461
Current liabilities	49,563
Non-current liabilities	309,618
Equity	282,614

The Company's operations comprise the charter of a semi-submersible dynamic positioning floating drilling unit, named Norbe VI ("Norbe VI" or "Drillship"), for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petróleo Brasileiro S.A. - Petrobras on September 15, 2006 for a period of seven years, as from the operations start-up, renewable for up to seven additional years. The operations started on July 14, 2011.

The Company's sole shareholder is Odebrecht Oil & Gas GmbH ("OOG GmbH"), established in accordance with laws of Vienna (Austria). The Company is part of the Odebrecht Oil and Gas Organization, the holding company of which is Odebrecht Óleo e Gás S.A., incorporated in Rio de Janeiro, Brazil.

As of December 31, 2013 the Company had negative working capital of US$ 7,543 (US$ 40,634 - 2012) due to the payment of principal and interest on the loans, considering a quarterly schedule. However, based on the cash flow projections of the charter contracts and financial resources provided by parent Company, management believes the Company will pay the loan with these resources and correct the negative working capital situation.

The issuance of these consolidated financial statements was authorized by the Directors on February 06, 2014.

2 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in the process of applying the accounting policies.

The consolidated financial statements have been prepared and are being presented in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The Company's functional currency is the U.S. dollars, currency in which the accounting records are maintained.

At December 31, 2013 and 2012, the Company did not have any comprehensive income other than that included in the statement of income. Therefore, the statements of comprehensive income for the years then ended are not being presented.

2.2 Consolidation

Subsidiaries are all entities (including special purpose entities) over which the Company has the power to determine the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of possible voting rights that are currently exercisable or convertible are considered when assessing whether the Company and its subsidiaries ("Group") controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries are changed, where necessary, to ensure consistency with the policies adopted by the Group.

2.2.1 Investments

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Jointly-controlled entities are all those over which the Company shares control with one or more parties. Investments in associates and jointly-controlled entities are accounted for using the equity method and are initially recognized at cost.

On December 31, 2013, ODN I GmbH (“ODN I”) owns 66.67% and ODN Six owns 33.3% of the share capital of Odebrecht Offshore Drilling Finance Limited ("ODFL"). Notwithstanding the percentage ownership, all decisions with respect to any matters determined by vote of the holders of the shares of ODFL shall be made on a joint basis, as if each of ODN I and ODN Six were entitled to vote 50% of all of the shares.

In thousands of U.S. dollars, unless otherwise indicated

		Direct and indirect interest (%)	
	Country	**2013**	**2012**
Direct subsidiaries			
Odebrecht Drilling Services LLC	United States	100	100
Jointly-controlled			
ODFL	Cayman Islands	33	

2.3 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and other highly liquid short-term investments falling due within 90 days and can be immediately converted into a known cash amount, with insignificant risk of change in value.

2.4 Short term investments

Short term investments comprise escrow accounts which represent resources related to Project Bond, not being readily convertible in cash, depending on use restrictions only after debt settlement, with insignificant risk of change in value.

2.5 Accounts receivable

Accounts receivables are amounts due from customers for services rendered in the regular course of the Company's business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

They receivables are recognized at the amount billed, adjusted by the provision for impairment, when necessary.

2.6 Equipment

Equipment is stated at historical cost less accumulated depreciation and includes expenditure that is directly attributable to the acquisition of the items as well as finance costs related to the acquisition of qualifying assets during the period necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance costs are charged to the statement of income during the period in which they are incurred.

Depreciation of the assets is calculated using the straight-line method to reduce the cost to the residual values over their estimated useful lives, as follows:

	Useful life
Vessels	30 years
Floaters	8 years
Riser columns	8 years
Drilling column	4 years

The drillship has been depreciated since the commencement of operations which took place on July 14, 2011, when the asset was classified in ODS.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (impairment).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of income.

2.7 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Each drillship represents the cash-generating unit of the Company. Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

2.8 Financings

Financings are recognized initially at fair value, net of transaction costs incurred. Financings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the settlement value is recognized in the statement of income over the period of the financing using the effective interest method.

Incremental costs incurred on the establishment of borrowing facilities are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs when the amount is reclassified to financial liability, reducing the net amount drawn down and changing the effective interest rate. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it is related.

Financings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.9 Accounts payable

Accounts payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, they are usually recognized at the amount of the related invoice.

2.10 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of taxes, rebates and discounts.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Company's activities.

The revenue is calculated by multiplying the day rate for the drillship by the availability expressed as a percentage of the number of days of availability in the applicable period.

2.11 Income tax

The Company did not engage in operations, in the periods presented, subject to income tax in Austria.

2.12 Lease contracts – The Company as lessee

As described in Note 1, the Company is a party to a charter contract. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the charter contract are accounted for on the accrual basis and reflect a defined daily rate, for a period of seven years, renewable for up to an additional seven years by mutual agreement of the parties.

2.13 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards, amendments and interpretations to existing standards were issued by IASB but are not effective for 2013.

. IFRS 9, "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The standard is applicable as from January 1, 2015.

. IFRIC 21,"Levies". The interpretation clarified when an entity should recognize an obligation to pay levies according with to the legislation. An obligation should only be recognized when an event that results in an obligation occurs. This interpretation is applicable as from January 1, 2014.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3 Estimates and critical accounting judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial next year are described below.

Depreciation

Depreciation of the assets is calculated using the straight-line method to reduce the cost to their residual values over their estimated useful lives.

4 Financial risk management

(a) Identification and valuation of financial instruments

The Company maintain financial instruments, comprised by cash and cash equivalents, short term investments, accounts receivable, suppliers and financing for the construction of the drillship.

(b) Financial risk management policy

ODN Six adopts a financial policy that sets forth the guidelines for the management of risks. In accordance with such policy, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. The credit limits and hedge quality of counterparties are also periodically reviewed.

Under the policy, market risks are hedged when the Company believes it is necessary to support corporate strategy. According to the risk management policy, derivative instruments for speculative purposes is not allowed.

(c) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers. For banks and other financial institutions, only independently rated parties above investment grade (BBB -) are accepted. The Company has signed a long term contract with Petrobras for chartering a Drillship. The contract term is seven years, renewable for up to a further seven. Petrobras has investment grade rating assigned by the main rating agencies and its investment grade was rated BBB by Fitch agency.

(d) Liquidity risk

This is the risk of ODN Six not having sufficient liquid funds to meet its financial commitments, due to mismatch of terms or volume in expected receipts and payments.

To manage liquidity of cash, expectations of disbursements and receipts are determined and monitored on a daily basis by the treasury department, including negative working capital situation on December 31, 2013 from which the Company will have the financial resources provided by parent Company, if necessary.

The table below presents ODN Six financial liabilities analyzed by maturity, corresponding to the period remaining on the balance sheet date until the contractual maturity. The amounts reported in the table are undiscounted cash flows contracted.

In thousands of U.S. dollars, unless otherwise indicated

	At December 31, 2013			
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
Principal of financing	19,209	23,532	71,722	430,657
Interest on financing	36,357	34,916	94,863	87,210
Accounts payable	1,242			

	At December 31, 2012		
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**
Principal of financing	49,698	56,423	228,265
Interest on financing	8,175	6,965	11,264
Accounts payable	2,232		

(e) Market risk - interest rate risk

This risk arises from the possibility that ODN Six incurs losses due to fluctuations in interest rates that lead to an increase in finance costs related to financing obtained. The financing contracted by the Company is subject to fixed interest rates.

5 Financial instruments by category

(i) The financial assets are classified as follows:

Assets	**December 31, 2013**	**December 31, 2012**
Loans and receivable		
Cash and cash equivalents (Note 6)	4,634	2,521
Trade accounts receivable	7,252	3,102
Other receivable (*)	47	47
	11,933	5,670
Financial assets measured at fair value through profit or loss		
Short-term investments (Note 7)	6,564	7,656
	18,497	13,326

(*) prepayments are excluded from “Other receivables”

In thousands of U.S. dollars, unless otherwise indicated

(ii) The financial liabilities are classified as follows:

Liabilities	**December 31, 2013**	**December 31, 2012**
Other financial liabilities		
Financings (Note 10)	515,616	337,919
Trade accounts payable	1,242	2,232
	516,858	340,151

6 Cash and cash equivalents

	December 31, 2013	**December 31, 2012**
Bank deposits	4,634	2,521
	4,634	2,521

At December 31, 2013, bank deposits are represented by funds available in current accounts, basically with Itaú, denominated in US dollars and rated BBB by Fitch agency.

7 Short-term investments

At December 31, 2013, short-term investments are represented by escrow accounts basically with HSBC denominated in U.S. dollars and rated A+ by Fitch agency.

8 Related parties

During 2013, the Company was invoiced by Odebrecht Oil Services Ltd. ("OOSL") in the amount of US$ 2,500 referring to the vessel maintenance contract (SOISA) (See Note 12).

The balance of transactions with related parties in the balance sheet is detailed below:

- The account receivable from Delba Drilling International Cöoperatie U.A ("Delba Coop") of US$ 20,545 refers to the agreement signed between ODN Six, Delba Coop and Petrobras as described in Note 11. This agreement provides that the penalties for the late delivery of the Delba Coop will be converted into investments (technical improvements) in ODN Six. These investments represent the settlement of the penalties, i.e. the Company reversed a penalty in an upgrade of the asset. In this context, ODN Six recorded an intercompany loan with the semi-submersible rig Delba Coop as compensation for the obligation to perform technical improvements .

- The account payable to OOSL and Odebrecht Óleo e Gás S.A. of US$ 1,412 refers to the transaction costs of the Bond and with OOG of US$ 5,833 refers to Asset Maintenance Agreement (AMA).This amount was capitalized during 2013.

In thousands of U.S. dollars, unless otherwise indicated

9 Equipment

Equipment, amounting to US$ 578,318 (US$ 594,933 - 2012), relates to expenditures incurred in the construction of Norbe VI, including financial charges on the project finance structured loan (Note 10) capitalized during the construction phase, net of accumulated depreciation.

	Drillship
At January 1, 2012	
Contribution from shareholder	608,461
Acquisitions	676
Depreciation	(14,204)
Net balance at December 31, 2012	594,933
At December 31, 2012	
Cost	609,137
Accumulated depreciation	(14,204)
Net balance	594,933
At December 31, 2012	594,933
Acquisitions	7,737
Depreciation	(24,352)
Net balance at December 31, 2013	578,318
At December 31, 2013	
Cost	616,874
Accumulated depreciation	(38,556)
Net balance	578,318

10 Financing

	December 31, 2013	December 31, 2012
Project Bond	515,616	
Project Finance (Syndicate of banks)		337,919
Current	(17,582)	(53,231)
Non-current	498,034	284,688

In thousands of U.S. dollars, unless otherwise indicated

On July 26, 2013, the related party Odebrecht Offshore Drilling Finance Limited, headquartered in Cayman Island, issued Senior Secured Notes (Bond) in the amount of US$ 1,690 million with a 6.75% p.a. coupon priced at 99.994% of the face value. The funds arising from the Bond were partially transferred to Norbe VI through intercompany loan, agreed for the same term, conditions and interest rate, and were partially used to settle the project finance contracted in 2007.

The intercompany loan will be settled in accordance with the Bond repayment schedule, which takes into consideration quarterly intervals as from December 2013. The final installment is scheduled for October 2022. The interest incurred will be settled every three months in March, June, September and December and begun in December 2013.

The guarantees are limited to rights deriving from the specific project, with no right of recourse against OOG or other entities of the Odebrecht Organization.

At December 31, 2013, the balance of financing amounted to US$ 515,616, of which US$ 17,582 refers to current liabilities.

Long-term amounts by maturity year are as follows:

	December 31, 2013	December 31, 2012
2014		56,423
2015	19,026	63,593
2016	19,210	73,788
2017	22,692	90,884
2018	17,654	
2019 onwards	419,452	
	498,034	284,688

The Company is in compliance with all related financing covenants, such as limitation on financing in relation to equity, established by contractual clauses.

11 Contractual obligations

	December 31, 2013	December 31, 2012
Petrobras	20,545	
	20,545	

On November 29, 2013, the Company and Petrobras agreed to settle all charges for late delivery of the asset related to the charter contract, compensated by technical improvements in the drillship as requested by Petrobras. These technical improvements are subject to amendment to the charter contract signed between the parties.

In thousands of U.S. dollars, unless otherwise indicated

12 Cost of services rendered

	December 31, 2013	December 31, 2012
Assistance (i)	2,500	
Depreciation	24,352	14,204
Insurance	2,365	2,102
Others	1,113	1,613
	30,330	17,919

(i) with respect to administrative, managerial and technical matters.

13 Finance costs

	December 31, 2013	December 31, 2012
Interests on project finance	28,971	12,843
	28,971	12,843

14 Equity

On December 31, 2013, capital amounts to US$ 24 (US$ 24 - 2012) and consists of one quota share representing the total capital.

Additional paid-in capital during 2012 amounted to US$ 285,445. Out of this total, US$ 282,614 relates to the assets and liabilities capitalized by ODN on June 26, 2012 and the amount of US$ 2,831 correspond to indirect equity contributions from OOG, to be applied in the construction of the drillship.

Capital increases during 2013 amounted to US$ 10,830 (US$ 285,445 - 2012), and correspond to indirect equity contributions from OOG related to own resources for the construction of the drillship.

On August 9, 2013 and December 18, 2013, the Company paid dividends to OOG GmbH in the amounts of US$ 178,508 and US$ 37,885 respectively.

The dividend distributions were based on the retained earnings of ODN Six. The balance used to calculate the distributions is that in accordance with Austrian GAAP due the fact that the Company is established in Vienna.

* * *

Odebrecht Drilling
Norbe Six GmbH
Financial Statements
at December 31, 2012
and independent auditor's report

pwc

Independent Auditor's Report

To the Board of Directors and Shareholders
Odebrecht Drilling Norbe Six GmbH

We have audited the accompanying consolidated financial statements of Odebrecht Drilling Norbe Six GmbH ("the Company"), which comprise the balance sheet as at December 31, 2012 and the statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of thefinancial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, Av. Tancredo Neves 620, 30º e 34º, Ed. Empresarial Mundo Plaza, Caminho das Árvores, Salvador, BA, Brasil 41820-020, T: (71) 3319-1900, F: (71) 3319-1937, www.pwc.com/br

Odebrecht Drilling Norbe Six GmbH

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Odebrecht Drilling Norbe Six GmbH as at December 31, 2012, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Salvador, April 26, 2013

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Felipe Edmond Ayoub
Contador CRC 1SP187402/O-4 "S" RJ

Odebrecht Drilling Norbe Six GmbH and subsidiary

Balance sheet

In thousands of U.S. dollars

Assets	December 31, 2012	December 31, 2011	Liabilities and equity
Current assets			**Current liabilities**
Cash and cash equivalents (Note 5)	2,521	24	Financings (Note 8)
Short-term investments (Note 6)	7,656		Accounts payable
Accounts receivable	3,102		Other liabilities
Prepaid expenses	1,501		
Other assets	49		
	14,829	24	**Non-current liabilities**
			Financings (Note 8)
Non-current assets			
Equipment (Note 7)	594,933		
			Equity (Note 12)
			Capital
			Additional paid-in capital
			Accumulated losses
			Total equity
Total assets	609,762	24	Total liabilities and equity

The accompanying notes are an integral part of these financial statements.

Odebrecht Drilling Norbe Six GmbH and subsidiary

Statement of income
Year ended December 31
In thousands of U.S. dollars

	2012
Continuing operations	
Revenue	31,905
Costs of services rendered (Note 10)	(17,919)
Operating profit	13,986
Finance costs (Note 11)	(12,843)
Profit for the year	1,143

The accompanying notes are an integral part of these financial statements.

Odebrecht Drilling Norbe Six GmbH and subsidiary

Statement of changes in equity
In thousands of U.S. dollars

	Capital	Unpaid Capital	Additional paid-in capital	Accumulated losses
At January 1, 2011	48	(24)		
Capital increase				
At December 31, 2011	48	(24)		
Capital increase (Note 12)			285,445	
Profit for the year				1,143
Dividends (Note 9)				(17,001)
At December 31, 2012	48	(24)	285,445	(15,858)

The accompanying notes are an integral part of these financial statements.

Odebrecht Drilling Norbe Six GmbH and subsidiary

Statement of cash flows
In thousands of U.S. dollars

	2012
Cash flows from operating activities	
Profit for the year	1,143
Adjustments	
Depreciation and amortization	14,204
Finance costs	12,839
	28,186
Changes in assets and liabilities	
Short-term investments	(7,656)
Accounts receivable	(3,102)
Accounts payable	1,327
Prepaid expenses	(1,501)
Other liabilities	743
Net cash provided by operating activities	17,997
Cash flows from investing activities	
Additions to equipment	(676)
Net cash used in investing activities	(676)
Cash flows from financing activities	
From shareholders	
Capital increase	2,831
Dividends	(17,001)
Financings	
Repayments of borrowings	(22,600)
Payment of interest	(11,339)
Net cash used in financing activities	(48,109)
Cash received from Norbe VI transference	19,465
Decrease in cash and cash equivalents	(11,323)
Cash and cash equivalents at the beginning of the year	24
Cash and cash equivalents at the end of the year	(11,299)

* The difference of cash and cash equivalents between the cash flow and the balance sheet in the amount of US$ 13,820 is due the transference of Norbe VI from ODS to ODN Six**.**

The accompanying notes are an integral part of these financial statements.

In thousands of U.S. dollars, unless otherwise indicated

1 Operating context

Odebrecht Drilling Norbe Six GmbH ("Norbe Six" or "Company") was acquired on September 17, 2010 and is established in Vienna (Austria). On June 26, 2012 the Company's increased its investment in the Company by contributing its shares in indirect shareholder Odebrecht Óleo e Gás S.A. ("OOG"). As a result, the Company became the owner of Odebrecht Drilling Services LLC ("ODS") assets and operations. This transaction was accounted at historical carrying values as it was performed between entities under common control.

The equity of ODS, and its operating assets and liabilities transferred were as follows on June 26, 2012:

Current assets	33,334
Cash and cash equivalents	13,820
Accounts receivable	19,465
Other assets	49
Non-current assets	
Equipment	608,461
Current liabilities	49,563
Non-current liabilities	309,618
Equity	282,614

The Company's operations comprise the charter of a semi-submersible dynamic positioning floating drilling unit, named Norbe VI ("Norbe VI" or "Drillship"), for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petróleo Brasileiro S.A. – Petrobras on September 15, 2006 for a period of seven years, as from the operations start-up, renewable for up to seven additional years. The operations started on July 14, 2011.

The Company's sole shareholder is Odebrecht Oil &Gas GmbH ("OOG GmbH"), established in accordance with laws of Vienna (Austria). The Company is part of the Odebrecht Oil and Gas Organization, the holding company of which is Odebrecht Óleo e Gás S.A., incorporated in Rio de Janeiro, Brazil.

As of December 31, 2012 the Company had a negative working capital of US$ 40,634 mainly due to the payment of principal and interest on a project finance, considering a semi-annual schedule. Based on cash flow projections related to charter contracts, however, the Company will generate positive cash flow to repay the loans and address the negative working capital situation.

The issuance of these financial statements was authorized by the Directors on April 09, 2013.

2 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied through all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared at the historical cost basis. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in the process of applying the accounting policies.

The consolidated financial statements have been prepared and are being presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The Company's functional currency is the U.S. dollar, which is also the currency under which the accounting records are maintained.

The statement of operations and cash flows for the year ended December 31, 2011 have not been presented as the Company did not have transaction during that year.

During the years ended December 31, 2012 and 2011, the Company did not have any comprehensive income other than that included in the statement of income. Therefore, the statements of comprehensive income for the years then ended are not being presented.

2.2 Consolidation

Subsidiaries are all entities (including special purpose entities) over which the Company has the power to determine the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of possible voting rights that are currently exercisable or convertible are considered when assessing whether the Company and its subsidiaries ("Group") controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries are changed, where necessary, to ensure consistency with the policies adopted by the Group.

2.3 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and other highly liquid short-term investments falling due within 90 days and which can be immediately converted into a known cash amount, with insignificant risk of change in value.

2.4 Accounts receivable

Accounts receivables are amounts due from customers for services rendered in the regular course of the Company's business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

They are recognized at the amount billed, adjusted by the provision for impairment, when necessary.

2.5 Equipment

Equipment is stated at historical cost less accumulated depreciation and includes expenditure that is directly attributable to the acquisition of the items as well as finance costs related to the acquisition of qualifying assets during the period necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance costs are charged to the statement of income during the period in which they are incurred.

Depreciation of the assets is calculated using the straight-line method to reduce the cost to their residual values over their estimated useful lives, as follows:

	Useful life
Vessels	30 years
Floaters	8 years
Riser columns	8 years
Drilling column	4 years

The drillship has been depreciated since the commencement of operations which took place on July 14, 2011, when the asset was classified in ODS.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of operations.

2.6 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell its and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

2.7 Financings

Financings are recognized initially at fair value, net of transaction costs incurred. Financings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the settlement value is recognized in the statement of operations over the period of the financing using the effective interest method.

Incremental costs incurred on the establishment of credit facilities are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs, when the amount is reclassified to financial liability, reducing the net amount draw down and changing the effective interest rate. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the financing to which it is related.

Financings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.8 Accounts payable

Accounts payables are obligations to pay for goods or services that have been acquired from suppliers in the regular course of business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, they are usually recognized at the amount of the related invoice.

The Company and Petrobras are currently in discussions about the applicability of charges for late delivery of the drillship. The Company expects that the outcome for the negotiation will be favorable, and that no future disbursements will be required.

2.9 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of taxes, rebates and discounts

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Company's activities.

2.10 Lease contracts – The Company as lessee

As described in Note 1, the Company is a party to a charter contract. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the charter contract are accounted for on the accrual basis and reflect a defined daily rate, for a period of seven years, renewable for up to an additional ten years by mutual agreement of the parties.

2.11 Income tax

The Company did not engage in operations, in the periods presented, subject to income tax in Austria.

2.12 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards, amendments and interpretations to existing standards were issued by IASB but are not effective for 2012.

. IAS 1, "Presentation of financial statements". The main change is a requirement for entities to group items presented in "other comprehensive income" on the basis of whether they will be reclassified to profit or loss or remain in equity. The amendment to the standard is applicable as from January 1, 2013. The Company expects that the adoption of this amendment will only give rise to impacts on disclosure.

. IFRS 9, "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The standard is applicable as from January 1, 2015.

. IFRS 10, "Consolidated financial statements". This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control. The standard is applicable as from January 1, 2013. The Company expects that its adoption will not generate impacts on its financial statements.

. IFRS 12, "Disclosures of interests in other entities. IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The standard is applicable as from January 1, 2013. The impact of this standard will be basically an addition to disclosure.

. IFRS 13,"Fair value measurement" was issued in May. IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS or US GAAP. The standard is applicable as from January 1, 2013. The impact of this standard will be basically an addition to disclosure.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3 Estimates and critical accounting judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

(a) Depreciation

Depreciation of the assets is calculated using the straight-line method to reduce the cost to their residual values over their estimated useful lives.

4 Financial risk management

(a) Identification and valuation of financial instruments

The Company maintains financial instruments, comprised of financing for the construction of the drillship.

(b) Financial risk management policy

Norbe Six has a financial policy that set forth the guidelines for the management of risks. In accordance with such policies, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. The credit limits and hedge quality of counterparties are also periodically reviewed.

Under the policy, market risks are hedged when the Company believes it is necessary to support corporate strategy. According to the risk management policy, derivate instruments for speculative trading is not allowed.

(c) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers. For banks and other financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The Company has signed a long term contract with Petrobras for chartering a drillship. The contract term is seven years, renewable for up to a further seven. Petrobras has investment grade rating assigned by the main rating agencies and its investment grade was rated AAA by Fitch (Brazilian scale).

(d) Liquidity risk

This is the risk of Norbe Six not having sufficient liquid funds to meet its financial commitments, due to mismatch of terms or volume in expected receipts and payments.

To manage liquidity of cash, expectations of disbursements and receipts are determined and monitored on a daily basis by the treasury department.

In thousands of U.S. dollars, unless otherwise indicated

The table below presents Norbe Six financial liabilities ranged by maturity, corresponding to the period remaining on the balance sheet date until the contractual maturity. The values reported in the table are undiscounted cash flows contracted.

	At December 31, 2012		
	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**
Principal of financing	49,698	56,423	228,265
Interest on financing	8,175	6,965	11,264

(e) Market risk - interest rate risk

This risk arises from the possibility that Norbe Six incurs losses due to fluctuations in interest rates that lead to an increase in finance costs related to financing obtained. The financing contracted by the Company is subject to fixed interest rates.

5 Cash and cash equivalents

	December 31, 2012	**December 31, 2011**
Bank deposits	2,521	24
	2,521	24

6 Short-term investments

At December 31, 2012, short-term investments are represented by time deposits with first-class financial institutions abroad, denominated in U.S. dollars.

7 Equipment

Equipment, amounting to US$ 594,933, relates to expenditures incurred in the construction of Norbe VI, including financial charges on the project finance structured loan (Note 8) capitalized during the construction phase, net of accumulated depreciation.

In thousands of U.S. dollars, unless otherwise indicated

	Drillship
At December 31, 2011	
Contribution from shareholder	608,461
Acquisitions	676
Depreciation	(14,204)
Net balance at December 31, 2012	594,933
At December 31, 2012	
Cost	609,137
Accumulated depreciation	(14,204)
Net balance	594,933

8 Financings

On August 17, 2007, ODS raised US$ 430,000 in the international financial market through a secured project finance structured loan for the construction of Norbe VI. The funds were obtained during the vessel construction, based on the progress of the construction of the Drillship.

The principal amount will be settled in accordance with the repayment schedule, at six-month semi annually installments starting as from October 2010. The final installment is scheduled for April 2017. The interest incurred is settled every six months in April and October. Financial charges were capitalized during the construction phase and they have been recorded in the statement of income since the commencement of operations .

This funding is in the modality of project finance, whereby the guarantees are limited to rights deriving from the specific project, with no right of recourse against OOG or other entities of the Odebrecht Organization.

At December 31, 2012, financing amounts to US$ 337,919, of which US$ 53,231 refers to installments and interest due within the following 12 months, and, therefore, is presented as current liabilities.

Annual expected payments are as follows:

	December 31, 2012
2014	56,423
2015	63,593
2016	73,788
2017	90,884
	284,688

The Company is in compliance with all related financing covenants, such as limitation on financing in relation to equity, established by contractual clauses.

In thousands of U.S. dollars, unless otherwise indicated

9 Dividends

The Company's management approved in a meeting held on November 21, 2012, a dividend distribution to the shareholder OOG GmbH in the amount of US$ 17,001, which was paid on November 23, 2012. This distribution was based on the retained earnings of October 31, 2012, which represents the fiscal year of ODN Six, in accordance with the Austrian regulation.

10 Costs of services rendered

	December 31, 2012	December 31, 2011
Depreciation	14,204	
Insurance	2,102	
Others	1,613	
	17,919	

11 Finance expenses

	December 31, 2012	December 31, 2011
Interests on project finance	12,843	
	12,843	

12 Equity

Additional paid-in capital registered in 2012 amounted to US$ 285,445. Out of this amount, US$ 282,614 relates to the assets and liabilities capitalized by ODN on June 26, 2012 and the amount US$ 2,831 correspond to the an indirect equity contributions from OOG, to be applied in the construction of the drilling.

On December 31, 2012, capital amounts to US$ 24 (US$ 24 - 2011) and consists of one quota.

* * *

ODN Tay IV GmbH

Financial Statements
at December 31, 2013
and independent auditor's report

pwc

Independent Auditor's Report

To the Board of Directors and Shareholders
ODN Tay IV GmbH

We have audited the accompanying financial statements of ODN Tay IV GmbH, which comprise the balance sheet as at December 31, 2013 and the statements of income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, Av. Tancredo Neves 620, 30º e 34º, Ed. Empresarial Mundo Plaza, Caminho das Árvores, Salvador, BA, Brasil 41820-020, T: (71) 3319-1900, F: (71) 3319-1937, www.pwc.com/br

ODN Tay IV GmbH

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of ODN Tay IV GmbH as at December 31, 2013, and its financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Salvador, February 10, 2014

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Felipe Edmond Ayoub
Contador CRC 1SP187402/O-4 "S" RJ

ODN Tay IV GmbH

Balance sheet
In thousands of U.S. dollars

Assets	December 31, 2013	December 31, 2012	Liabilities and equity
Current assets			**Current liabilities**
Cash and cash equivalents (Note 6)	2,816	6	Financings (Note 9)
Short-term investments		272	Related parties (Note 10
Accounts receivable	13,858		Accounts payable
Claim receivable (Note 7)	19,168		
Other assets	133		
	35,975	278	
			Non-current liabilities
Non-current assets			Financings (Note 9)
Equipment (Note 8)	787,472	687,413	
			Equity (Note 13)
			Capital
			Additional paid-in capit
			Retained earnings
Total assets	823,447	687,691	Total liabilities and equity

The accompanying notes are an integral part of these financial statements.

ODN Tay IV GmbH

Statement of income
For the year ended December 31, 2013
In thousands of U.S. dollars

	2013
Continuing operations	
Revenue	124,234
Costs of services rendered (Note 11)	(52,610)
Operating profit	71,624
Finance costs (Note 12)	(19,362)
Profit for the year	52,262

The accompanying notes are an integral part of these financial statements.

ODN Tay IV GmbH

Statement of changes in equity
In thousands of U.S. dollars

	Capital	Additional paid-in capital	Retained earnings	Total
At January 1, 2012	50	114,784		114,834
Capital increase (Note 13)		108,501		108,501
At December 31, 2012	50	223,285		223,335
Capital increase (Note13)		35,557		35,557
Profit for the year			52,262	52,262
At December 31, 2013	50	258,842	52,262	311,154

The accompanying notes are an integral part of these financial statements.

ODN Tay IV GmbH

Statement of cash flows
For the year ended December 31
In thousands of U.S. dollars

	2013	2012
Cash flows from operating activities		
Profit for the year	52,262	
Adjustments		
Depreciation	18,106	
Related parties	5,013	
Contractual claim	(19,168)	
Finance costs	19,363	
	75,576	
Changes in assets and liabilities		
Accounts receivable	(13,858)	
Other assets	(133)	
Accounts payable	218	(78)
Net cash provided by (used in) operating activities	61,803	(78)
Cash flows used in investing activities		
Short-term investments	272	(272)
Additions to equipment	(455)	(92,820)
Net cash used in investing activities	(183)	(93,092)
Cash flows from financing activities		
From shareholders		
Capital increase	35,557	108,501
Financing		
Financing obtained		470,000
Repayments of principal	(72,380)	(462,466)
Payment of interest	(21,987)	(23,198)
Net cash provided by (used in) financing activities	(58,810)	92,837
Increase (decrease) in cash and cash equivalents	2,810	(333)
Cash and cash equivalents at the beginning of the year	6	339
Cash and cash equivalents at the end of the year	2,816	6

Non cash transactions:
Additions to equipment in the amount of US$ 114,119 with counter-parties in related parties.

The accompanying notes are an integral part of these financial statements.

1 Operating context

ODN Tay IV GmbH ("ODN Tay IV" or "Company") was acquired on March 31, 2011 and is established in Vienna (Austria).

Its operations comprise the charter of a deepwater semi-submersible dynamic positioning floating drilling unit, named Stena Tay for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petroleo Brasileiro S.A. – Petrobras for a period of seven years, as from the operations start-up, renewable for an additional period of up to seven years by mutual agreement of the parties. On March 2, 2013, the Company started its operations. The estimated aggregate amount to be payable under the contract is US$ 976,905.

The Company's shareholder is ODN Tay IV Holding GmbH, an Austrian company with head office in Vienna, Austria. The Company is part of the Odebrecht Oil and Gas Organization, the ultimate holding company of which is Odebrecht Óleo e Gás S.A.("OOG"), incorporated in Rio de Janeiro, Brazil.

As of December 31, 2013, the Company had negative working capital of US$ 131,433 (US$ 71,241 - 2012) due to the payment of principal and interest on the loans, considering a semi-annual schedule. However, based on the cash flow projections of the charter contracts and financial resources provided by parent Company, management believes the Company will pay the loan with these resources to repay the loans and correct the negative working capital situation.

The issuance of these financial statements was authorized by the Directors on February 06, 2014.

2 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared under the historical cost convention. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in the process of applying the Company's accounting policies.

These financial statements have been prepared and are being presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board.

In 2012, ODN Tay IV had no revenues or costs related to the charter of Tay IV and, therefore, the statements of income and of comprehensive income are not presented herein.

During December 31, 2012, the Company did not have any comprehensive income other than that included in the statement of income. Therefore, the statements of comprehensive income for the years then ended are not being presented.

The Company's functional currency is the U.S. dollars, which is also the currency in which the accounting records are maintained.

2.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and other highly liquid short-term investments falling due within 90 days and which can be immediately converted into a known cash amount, with insignificant risk of change in value.

2.3 Short-term investments

Short term investments comprise escrow accounts which represent resources related to Project Finance, not being readily convertible in cash, depending on use restrictions only after debt settlement, with insignificant risk of change in value.

2.4 Accounts receivable

Accounts receivables are amounts due from customers for services rendered in the regular course of the Company's business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

They receivables are recognized at the amount billed, adjusted by the provision for impairment, when necessary.

2.5 Equipment

Equipment is stated at historical cost less accumulated depreciation and includes expenditure that is directly attributable to the acquisition of the items and finance costs related to the acquisition of qualifying assets during the period necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance costs are charged to the statement of income during the period in which they are incurred.

The Drillship has an estimated useful life of 30 years and has been depreciated since March 2, 2013, when ODN Tay IV started its operations.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.6 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Each drillship represents the cash-generating unit of the Company. Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

2.7 Financings

Financings are recognized initially at fair value, net of transaction costs incurred. Financings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the settlement value is recognized in the statement of income over the period of the financing using the effective interest method.

Incremental costs incurred on the establishment of borrowing facilities are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it is related.
Financings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.8 Accounts payable

Accounts payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, they are usually recognized at the amount of the related invoice.

2.9 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of taxes, rebates and discounts.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Company's activities.

The revenue is calculated by multiplying the day rate for the drillship by the availability expressed as a percentage of the number of days of availability in the applicable period.

2.10 Lease contracts – The Company as lessee

As described in Note 1, the Company is a party to a charter contract. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the charter contract will be accounted for on the accrual basis and will reflect a defined daily rate, for a period of seven years, renewable for up to additional seven years by mutual agreement of the parties.

2.11 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards, amendments and interpretations to existing standards were issued by IASB but are not effective for 2013.

. IFRS 9, "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The standard is applicable as from January 1, 2015.

. IFRIC 21, "Levies". The interpretation clarified when an entity should recognize an obligation to pay levies according to the legislation. An obligation should only be recognized when an event that results in an obligation occurs. This interpretation is applicable as from January 1, 2014.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3 Estimates and critical accounting judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

Depreciation

Depreciation of the assets is calculated using the straight-line method to reduce the cost to residual values over their estimated useful lives.

4 Financial risk management

(a) Identification and valuation of financial instruments

The Company maintain financial instruments, comprised by cash and cash equivalents, short term investments, accounts receivable, suppliers and financings for the construction of the drillship.

In thousands of U.S. dollars

(b) Financial risk management policy

ODN Tay IV has a financial policy that sets forth the guidelines for the management of risks. In accordance with this policy, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. The credit limits and hedge quality of counterparties are also periodically reviewed.

Under the policy, market risks are hedged when the Company believes it is necessary to support corporate strategy.

According to the risk management policy, derivative instruments for speculative trading purposes are not allowed.

(c) Credit risk

Credit risk arises from cash and cash equivalents, as well as credit exposures to customers. For banks and other financial institutions, only independently rated parties above investment grade (BBB -) are accepted. The Company has signed a long term contract with Petrobras for chartering a drillship. The contract term is seven years, renewable for an equivalent period. Petrobras has investment grade rating assigned by the main rating agencies and its investment grade was rated BBB by Fitch agency.

(d) Liquidity risk

This is the risk of the Company not having sufficient liquid funds to meet its financial commitments, due to mismatch of terms or volume in expected receipts and payments.

To manage liquidity, cash disbursements and receipts are determined and monitored on a daily basis by the treasury department, including negative working capital situation on December 31, 2013 from which the Company will have the financial resources provided by parent Company, if necessary.

The table below presents the Company's financial liabilities analyzed by maturity, corresponding to the period remaining on the balance sheet date until the contractual maturity. The values reported in the table are undiscounted cash flows contracted.

	At December 31, 2013			
	Less than 1 year	Between 1 and 2 years	Between 3 and 5 years	Over 5 years
Principal of financing	48,880	51,230	194,110	103,400
Interest on financing	12,404	12,184	34,011	3,470
Accounts payable	325			

In thousands of U.S. dollars

	At December 31, 2012			
	Less than 1 year	**Between 1 and 2 years**	**Between 3 and 5 years**	**Over 5 years**
Principal of financing	72,380	48,880	178,130	170,610
Interest on financing	14,270	12,353	26,881	6,571
Accounts payable	107			

(e) Market risk - interest rate risk

This risk arises from the possibility that the Company incurs losses due to fluctuations in interest rates that lead to an increase in financial expenses related to financing obtained. The financing contracted by the Company is subject to fixed interest rates.

5 Financial instruments by category

(i) The financial assets are classified as follows:

Assets	**December 31, 2013**	**December 31, 2012**
Loans and receivable		
Cash and cash equivalents (Note 6)	2,816	6
Trade accounts receivable	13,858	
Other receivable (*)	3	
	16,677	6
Financial assets measured at fair value through profit or loss		
Short-term investments		272
	16,677	278

(*) prepayments are excluded from “Other receivables”

In thousands of U.S. dollars

(ii) The financial liabilities are classified as follows:

Liabilities	**December 31, 2013**	**December 31, 2012**
Other financial liabilities		
Financings (Note 9)	392,836	464,249
Trade accounts payable	325	107
	393,161	464,356

6 Cash and cash equivalents

	December 31, 2013	**December 31, 2012**
Bank deposits	2,816	6
	2,816	6

At December 31, 2013 and 2012, bank deposits are represented by funds available in current account basically with Deutsche Bank, denominated in US dollars and rated A by Fitch Ratings agency.

7 Claim receivable

Refers to a claim receivable from Stena Tay KFT due the non-compliance of the contract related on the sale of the asset in the amount of US$ 19,168. ODN Tay IV will receive US$ 10,900 in cash and US$ 8,268 in equipments.

8 Equipment

Equipment, amounting to US$ 787,472 (US$ 687,413 - 2012), relates to expenditures incurred in the acquisition of Stena Tay, including financial charges on the project finance structured loan (Note 9) capitalized during the phase of adaptation for deep waters, less accumulated depreciation. The balance was transferred to the equipment account when the drillship started its operation.

In thousands of U.S. dollars

	Drillship in construction	Drillship	Total
At January 1, 2012	569,914		569,914
Acquisitions	92,820		92,820
Finance costs	24,679		24,679
Net balance	687,413		687,413
At December 31, 2012			
Cost	687,413		687,413
Net balance	687,413		687,413
At January 1, 2013	687,413		687,413
Transfer	(713,779)	713,779	
Acquisitions	22,775	91,799	114,574
Depreciation		(18,106)	(18,106)
Finance costs	3,591		3,591
Net balance		787,472	787,472
At December 31, 2013			
Cost		805,578	805,578
Accumulated depreciation		(18,106)	(18,106)
Net balance		787,472	787,472

9 Financings

	December 31, 2013	December 31, 2012
Syndicate of banks	392,836	464,249
Current	(47,951)	(71,413)
Non-current	344,885	392,836

On December 22, 2011, the Company signed the final Project Finance contract in the amount of US$ 470,000. The resources of the Project Finance, released in January 13, 2012, were used to settle the bridge loans.

The principal amount will be settled in accordance with the repayment schedule, which takes into consideration six-month intervals as from June, 2013. The final installment is scheduled for June 2019. The interest incurred will be settled every six months in June and December and the final settlement is scheduled for June 2019.

This Project Finance has guarantees that are limited to the rights arising from the specific projects of ODN Tay IV and recourse against OOG or other Odebrecht Organization companies is not applicable.

In thousands of U.S. dollars

Long-term amounts by maturity year are as follows:

	December 31, 2013	December 31, 2012
2014		47,951
2015	50,353	50,353
2016	60,754	60,754
2017	64,601	64,601
2018	66,578	66,578
2019 onwards	102,599	102,599
	344,885	392,836

At December 31, 2013, the Company is in compliance with all related financing covenants.

10 Related parties

During 2013, the Company was invoiced by OOSL in the amount US$ 34,300 referring to the vessel maintenance contract (SOISA) (See Note 11).

The transactions with related parties are described below:

- The account payable to ODN I GmbH ("ODN I") of US$ 43,787 refer to the agreement signed between ODN I, ODN Tay IV and Petrobras. This agreement provides that the penalties for the late delivery of the Tay IV will be converted into investments (technical improvements) in the ODN I. These investments represent the settlement of the penalties, i.e. the Company reversed a penalty in an upgrade of the asset. In this context, ODN I recorded an intercompany loan with the semi submersible rig drillship ODN Tay IV as compensation for the obligation to perform technical improvements.

- The account payable to Odebrecht Oil Services Ltda ("OOSL") of US$ 70,332 refers to Construction Management Agreement (CMA) and this amount was capitalized during 2013.

- Accounts payable to OOG of US$ 5,013 refers to Asset Maintenance Agreement (AMA).

11 Costs of service rendered

	December 31, 2013
Assistance (i)	34,300
Depreciation	18,106
Others	204
	52,610

(i) with respect to administrative, managerial and technical matters.

In thousands of U.S. dollars

12 Finance costs

	December 31, 2013
Interests on project finance	19,362
	19,362

13 Equity

Additional paid-in capital during 2013 amounting to US$ 35,557 (US$ 108,501 – 2012) corresponds to an indirect capital contribution from OOG, related to own resources for the construction of the drillship.

At December 31, 2013, total capital amounts to US$ 50 (US$ 50 - 2012) and consists of one quota share.

* * *

ODN Tay IV GmbH

Financial Statements
at December 31,2012
and independent auditor's report

pwc

Independent Auditor's Report

To the Board of Directors and Shareholders
ODN Tay IV GmbH

We have audited the accompanying financial statements of ODN Tay IV GmbH ("the Company"), which comprise the balance sheet as at December 31, 2012 and the statements of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, Av. Tancredo Neves 620, 30º e 34º, Ed. Empresarial Mundo Plaza, Caminho das Árvores, Salvador, BA, Brasil 41820-020, T: (71) 3319-1900, F: (71) 3319-1937, www.pwc.com/br

ODN Tay IV GmbH

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of ODN Tay IV GmbH as at December 31, 2012, and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Salvador, April 26, 2013

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F" RJ

Felipe Edmond Ayoub
Contador CRC 1SP187402/O-4 "S" RJ

ODN Tay IV GmbH

Balance sheet
In thousands of U.S. dollars

Assets	December 31, 2012	December 31, 2011	Liabilities and equity	D
Current assets			**Current liabilities**	
Cash and cash equivalents	6	339	Financings (Note 6)	
Short-term investments	272		Accounts payable	
	278	339		
Non-current assets				
Equipment (Note 5)	687,413	569,914	**Non-current liabilities**	
			Financings (Note 6)	
			Equity (Note 7)	
			Capital	
			Additional paid-in capital	
Total assets	687,691	570,253	Total liabilities and equity	

The accompanying notes are an integral part of these financial statements.

ODN Tay IV GmbH

Statements of changes in equity
In thousands of U.S. dollars

	Capital	Additional paid-in capital	Total
At March 31, 2011 (date of incorporation)			
Capital increase (Note 7)	50	114,784	114,834
At December 31, 2011	50	114,784	114,834
Capital increase (Note 7)		108,501	108,501
At December 31, 2012	50	223,285	223,335

The accompanying notes are an integral part of these financial statements.

ODN Tay IV GmbH

Statement of cash flows
In thousands of U.S. dollars

	For the year ended December 31, 2012	For the period of nine months ended December 31, 2011
Cash flows from operating activities		
Changes in assets and liabilities		
Accounts payable	(78)	151
Net cash provided by (used in) operating activities	(78)	151
Cash flows from investing activities		
Short-term investments	(272)	
Additions to equipment	(92,820)	(565,311)
Net cash used in investing activities	(93,092)	(565,311)
Cash flows from financing activities		
From shareholders		
Capital increase	108,501	114,834
Financing		
New borrowings	470,000	455,100
Repayments of principal	(462,466)	
Payment of interest	(23,198)	(4,435)
Net cash provided by financing activities	92,837	565,499
Increase (decrease) in cash and cash equivalents	(333)	339
Cash and cash equivalents at the beginning of the year	339	
Cash and cash equivalents at the end of the year	6	339

The accompanying notes are an integral part of these financial statements.

1 General information

ODN Tay IV GmbH ("ODN Tay IV" or the "Company") was acquired on March 31, 2011 and is established in Vienna (Austria).

Its operations comprise the charter of a deepwater semi-submersible dynamic positioning floating drilling unit, named Stena Tay for drilling, assessment, completion and maintenance of petroleum and gas wells in Brazilian deep waters under a long term contract signed with Petroleo Brasileiro S.A. – Petrobras for a period of seven years, as from the operations start-up, renweable for an additional period of up to seven years by mutual agreement of the parties. The operations are expected to start in the first quarter of 2013. The estimated aggregate amount to be payable under the contract is US$ 976,905.

The Company's shareholder is ODN Tay IV Holding GmbH, an Austrian company with its head office in Vienna, Austria. The Company is part of the Odebrecht Oil and Gas Organization, whose the ultimate holding company of which is Odebrecht Óleo e Gás S.A., incorporated in Rio de Janeiro, Brazil

On December, 2011, ODN Tay IV GmbH signed the project finance structured loan in the amount of US$ 470,000 (Note 6), which correspond to 80% of the estimated costs for the acquisition and adaptation of Stena Tay.

On December 31, 2012, the Company had a negative working capital of US$ 71,242 (US$31,201 on December 31, 2011) relating to principal and interest payments due in the next 12 months. The Company will pay the financing with the positive cash flow generated and financial resources provided by parent company.

The issuance of these financial statements was authorized by the Directors on April 09, 2013.

2 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied through all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared at the historical cost basis. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Company's management to exercise its judgment in the process of applying the accounting policies.

The financial statements have been prepared and are being presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board.

In 2012 and 2011 ODN Tay IV was not yet incurred in revenues and costs related to the charter of Tay IV and, therefore, statements of operations and statements of comprehensive result are not presented.

The Company's functional currency is the U.S. dollar, which is also currency that the accounting records are maintained.

2.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and other highly liquid short-term investments falling due within 90 days and which can be immediately converted into a known cash amount, with insignificantrisk of change in value.

2.3 Equipment

Equipment is stated at historical cost less accumulated depreciation and include expenditure that is directly attributable to the acquisition of the items and finance costs related to the acquisition of qualifying assets during the period necessary for building and preparing assets for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance costs are charged to the statement of operations during the period in which they are incurred.

The drillship has an estimated useful life of 20 years and will be depreciated as from the date operations start, which is expected for the first six-month period of 2013. At the end of the adaptation phase, the significant components with different useful lives will be identified and depreciated in accordance with the corresponding useful life.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.4 Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill (if applicable) that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

2.5 Financings

Financings are recognized initially at fair value, net of transaction costs incurred. Financings are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the settlement value is recognized in the statement of operations over the period of the financing using the effective interest method.

Incremental costs incurred on the establishment of credit facilities are recognized as transaction costs, to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs, when the amount is reclassified to financial liability, reducing the net amount draw down and changing the effective interest rate. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the financing to which it is related.

Financings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.6 Accounts payable

Accounts payables are obligations to pay for goods or services that have been acquired from suppliers in the regular course of business. Accounts payable are classified as current liabilities if payment is due in one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. In practice, they are usually recognized at the amount of the related invoice.

The Company and Petrobras are currently in discussions about the applicability of charges for late delivery of the drillship. The Company expects that the outcome of the negotiation will be favorable, and that no future disbursements will be required.

2.7 Lease contracts – The Company as lessee

As described in Note 1, the Company is a party to a charter contract. Lease contracts in which a significant portion of the risk remains with the lessor are classified as operating leases. Revenues arising from the charter contract will be accounted for on the accrual basis and will reflect a defined daily rate, for a period of ten years, renewable for up to additional ten years by mutual agreement of the parties.

2.8 New standards, amendments and interpretations to existing standards that are not yet effective

The following new standards, amendments and interpretations to existing standards were issued by IASB but are not effective for 2012.

. IAS 1, "Presentation of financial statements". The main change is a requirement for entities to group items presented in "other comprehensive income" on the basis of whether they will be reclassified to profit or loss or remain in equity. The amendment to the standard is applicable as from January 1, 2013. The Company expects that the adoption of this amendment will only give rise to impacts on disclosure.

. IFRS 9, "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial instruments. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The standard is applicable as from January 1, 2015.

. IFRS 12, "Disclosures of interests in other entities". IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The standard is applicable as from January 1, 2013. The impact of this standard will be basically an addition to disclosure.

. IFRS 13,"Fair value measurement" was issued in May 2011. IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS or US GAAP. The standard is applicable as from January 1, 2013. The impact of this standard will be basically an addition to disclosure.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

3 Estimates and critical accounting judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

(a) Financial charges capitalization

Charges on financing/refinancing net of any financial income are capitalized as part of the cost of the corresponding asset during the period necessary for building and preparing the assets for the intended use, provided that the criteria determined for qualifying assets are met by the Company.

4 Financial risk management

(a) Identification and valuation of financial instruments

The Company maintains financial instruments, comprised of financings for the construction of the drillship.

(b) Financial risk management policy

ODN Tay IV has a financial policy that sets forth the guidelines for the management of risks. In accordance with this policy, the nature and general position of financial risks are monitored and managed on a regular basis to evaluate results and financial impact on cash flows. The credit limits and hedge quality of counterparties are also periodically reviewed.

Under the policy, market risks are hedged when the Company believes it is necessary to support corporate strategy.

According to the risk management policy, derivative instruments for speculative trading purposes are not allowed.

In thousands of U.S. dollars, unless otherwise indicated

(c) Credit risk

Credit risk arises from cash and cash equivalents, as well as credit exposures to customers. For banks and other financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The Company has signed a long term contract with Petrobras for chartering a drillship, which is under construction. The contract term is seven years, renewable for an equivalent period, and operations are expected to start in the first six-month period of 2013. Petrobras has investment grade rating assigned by the main rating agencies and its investment grade was rated AAA by Fitch (Brazilian scale).

(d) Liquidity risk

This is the risk of the Company not having sufficient liquid funds to meet its financial commitments, due to mismatch of terms or volume in expected receipts and payments.

To manage liquidity, cash disbursements and receipts are determined and monitored on daily basis by the treasury department.

The table below presents the Company's financial liabilities ranged by maturity, corresponding to the period remaining on the balance sheet date until the contractual maturity. The value reported in the table are undiscounted cash flows contracted.

	At December 31, 2012			
	Less than 1 year	**Between 1 and 2 years**	**Between 3 and 5 years**	**Over 5 years**
Principal of financing	72,380	48,880	178,130	170,610
Interest on financing	14,270	12,353	26,881	6,571

	At December 31, 2011			
	Less than 1 year	**Between 1 and 2 years**	**Between 3 and 5 years**	**Over 5 years**
Principal of financing	31,221	39,486	157,942	230,486
Interest on financing	9,689	7,894	18,107	6,652

(e) Market risk - interest rate risk

This risk arises from the possibility that ODN Tay IV incurs losses due to fluctuations in interest rates that lead to an increase in financial expenses related to financing obtained. The financing contracted by the Company is subject to fixed interest rates.

In thousands of U.S. dollars, unless otherwise indicated

5 Equipment

Equipment, amounting to US$ 687,413 (US$ 569,914 on December 31, 2011), relate to expenditures incurred in the acquisition of Stena Tay, including financial charges on the project finance structured loan (Note 6) capitalized during the phase of adaptation for deep waters. Balance will be transferred to the equipment account when the drillship starts its operation.

	Drillship in construction
At January 1, 2011	
Acquisitions	565,311
Finance costs	4,603
Net balance	569,914
At December 31, 2011	
Cost	569,914
Net balance	569,914
At January 1, 2012	569,914
Acquisitions	92,820
Finance costs	24,679
Net balance	687,413
At December 31, 2012	
Cost	687,413
Net balance	687,413

6 Financings

	December 31, 2012	December 31, 2011
Syndicate of banks	464,249	455,234
	464,249	455,234
Current	(71,413)	(31,355)
Non-current	392,836	423,879

On June 6, 2011, ODN Tay IV GmbH contracted bridge loans amounting to US$ 27,000 maturing on January 31, 2012, for the purpose of financing the initial costs of the acquisition of the sub-submersible rig Stena Tay. Up to December 31, 2011, ODN Tay IV GmbH contracted new tranches of this bridge loan amounting to US$ 459,000.

In thousands of U.S. dollars, unless otherwise indicated

On December 22, 2011, ODN Tay IV GmbH signed the final Project Finance contract in the amount of US$ 470,000. The resources of the Project Finance, released in January 13, 2012, were used to settle the bridge loans.

The principal amount will be settled in accordance with the repayment schedule, which takes into consideration six-month intervals as from June, 2013. The final installment is scheduled for June 2019. The interest incurred will be settled every six months in June and December and the final settlement is scheduled for June 2019.

This Project Finance has guarantees that are limited to the rights arising from the specific projects of ODN Tay IV and recourses against OOG or other Odebrecht Organization company are not applicable.

Payments are expected to be made as follows:

	December 31, 2012	December 31, 2011
2013		39,139
2014	47,951	47,330
2015	50,353	49,606
2016	60,754	59,618
2017	64,601	63,258
2018 onwards	169,177	164,928
	392,836	423,879

At December 31, 2012, the Company is in compliance with all related financing covenants.

7 Equity

Additional paid-in capital during 2012 amounted to US$ 108,501 (US$ 114,784 – December 31, 2011) and corresponds to an indirect capital contribution from OOG, related to own resources for the construction of the drilling.

On December 31, 2012, capital amounts to US$ 50 (US$ 50 - 2011) and consists of one quota.

8 Subsequent events

On March 2 2013, the Company started its operations under an agreement signed with Petrobras for a period of seven years, renewable for an additional period of up to seven years by mutual agreement of the parties.

* * *

Appendix A

Noble Denton Valuation Report

GL Noble Denton

1155 Dairy Ashford, Suite 315
Houston, Texas, USA, 77079
(281) 558-7180, www.gl-nobledenton.com

ODEBRECHT OIL & GAS

FOR OFFERING CIRCULAR

APPRAISAL OF MODU "ODN TAY IV" OPERATING IN BRAZIL

FAIR MARKET VALUE REPORT

Prepared by

GL NOBLE DENTON, INC.

Rev	Date	Description	By	Check	Approval
0	9th December, 2013	To Client for Comment	AS	JAH	JAH
1	30th December, 2013	Following additional information received and reviewed	AS	JAH	JAH
2	6th January, 2014	Revised per comments and review	AS	JAH	JAH

Report #	H11794	**Internal Job #**	1313285
Distribution	Patricia Ruiz, Odebrecht (electronic copy) Filipe Aquiar, Odebrecht (electronic copy) Helena Ramos, Odebrecht (electronic copy)		

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1.0 BACKGROUND AND INTRODUCTION

1.1 General

GL Noble Denton ("GLND") has been contracted by the Odebrecht Oil & Gas ("OOG") in regards to an Appraisal report to be included in a potential Offering Circular relating to the Semi-submersible Mobile Offshore Drilling Unit "ODN TAY IV" (the "MODU").

The MODU is currently operating under a 7 year Charter for Petrobras, offshore Brazil, that began in March of 2013.

GLND has received project documentation relating to this MODU Rig for purposes of building a comprehensive Fair Market Value ("FMV") report that takes into account the current FMV and the expected FMV in 2022.

GLND is a fully Independent technical consultancy services provider and has no conflict of interest in performing this work.

1.2 Instructions Received

Instructions to carry out the Appraisal Services were received by email dated the 19th of November, 2013 from Ms. Patricia Ruiz of Odebrecht.

2.0 DESCRIPTION OF UNIT

2.1 Brief Description

Specifications:

Rig Type	5th generation Semi-submersible MODU Rig
Water Depth	2,400 m
Drilling Depth	9,100 m
Flag	Marshall Islands
Year Built	1999 (Upgraded 2012)
Builder	Keppel Fels Singapore (Upgraded by Astican, Canary Islands)
Design	Friede & Goldman L-767C Enhanced Paceseetter
Classification	ABS - A1 AMS Column Stabilized Drilling Unit DP-2

Physical Dimensions:

Total Length	123.44 m (403 ft)
Breadth	60.96 m (199 ft)
Height	109.7 m (358 ft)
Main deck	103.4 m x 69.5 m
Operating draft	18.28 m (59.7 ft)
Transit draft	6.90 m (22.8 ft)

Drilling Capabilities:

Top Drive (DDM)	Hydralift Power Swivel (HPS 750 H4) 1,500 kips (750 tons)
Drawworks	3 Ram Hoist System Hydralift
Riser Tensioning	6 X N Line Rod Tensioners (322 m ton each)
BOP	Cameron LK 3.5 21" 80 ft x 110 joints - 5 Ram x 15,000 PSI
Riser	Cameron LK 3.5 21" 80 ft x 110 joints
Derrick capacity	Hydralift 750 m ton

Power and DP:

Engine	Wartsilla 5 x 1.88 MW, 1 X 2.65 MW, 7 x 3.65 MW
Thrusters	8 Thrusters (4 x Rolls-Royce & 4 Wartsilla)

DP System (dynamic positioning)	Kongsberg DPS-2

Life-Saving Appliances:

Lifeboats	2 x 70 people, 2 x 80 people
Rescue boat	1 x 6 people

Additional Information:

Accommodations	150 people
Potable water	863 m3
Fuel	2,581 m3
Deck cranes	1 x 50 m tons and 1 x 40 m tons. 1 x 30 m ton riser knuckle boom crane, 40 m ton. 1 x 3.5 m ton Pipe Crane
Helideck	Sikorsky S-92 and S-61
CCTV	Hernis: with 60 camera inputs and 30 monitor outputs
Operating displacement	45,643 mt
Variable deck load	5,500 mt

3.0 APPRAISAL METHODOLOGY

3.1 Definition of Fair Market Value

Fair Market Value, FMV, also known as Market Value, is defined by the Appraisal Foundation as the most probable price which a property should bring in a competitive and open market with all conditions requisite to a fair sale, buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale on a specific date along with the passing of title from seller to buyer.

3.2 Methodology

There are 3 (three) potential standard appraisal methods in developing the FMV results. These methods are:

- Market Approach
- Cost Approach
- Income Approach

Each approach is described below. The appropriate appraisal methods for the subject unit are then discussed.

Market Approach or the Comparable Sales Approach is utilized in determining the FMV based on historical data for prices paid in actual sale transactions. The various sale transactions, with appropriate adjustments to account for time, location, and specific characteristics of the subject property, give an indication of the FMV. This method is best utilized for determining the fair market value of used property.

The Market Approach was used in developing the current FMV for "ODN TAY IV". While exact matches have not changed ownership in recent time, we were able to estimate the "ODN TAY IV" FMV based on recent sales of newer semisubmersible units. This Approach was not used in determining the 2022 FMV.

Cost Approach is utilized to consider the current cost of building the entire unit. It is based on the principle of substitution, which means that the value of the asset being appraised is indicated by the cost of reproducing an identical property and applying a depreciation factor based on the age of the subject property.

New building cost is the estimated cost based on present day cost. The elements of new building cost include labor, engineering, material, project management, and indirect costs such as capitalized interest, transportation, installation and commissioning.

The Cost Approach was used in developing the FMV for "ODN TAY IV" for both 2013 and 2022 FMVs.

Income Approach is utilized to analyze the value (at a particular point in time) of an asset by determining the present value of the net cash flows that are projected to be generated by the asset over its estimated economic useful life. The income approach involves projecting the revenue stream, the related expenses, and the rate at which the revenue is projected to be realized and the expenses that are expected to be incurred and then discounting the cash flows at an appropriate discount rate to the date which the Fair Market Value is to be determined.

The Income Approach was utilized to determine the FMV for "ODN TAY IV" for both 2013 and 2022 FMVs.

4.0 CONDITION SURVEY

4.1 General Overview

"ODN TAY IV" began operations in March 2013 for Petrobras and is considered to be in good refurbished condition.

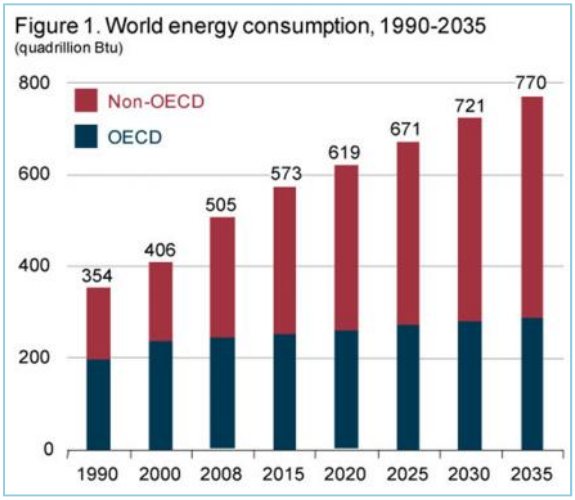
4.2 Certifications

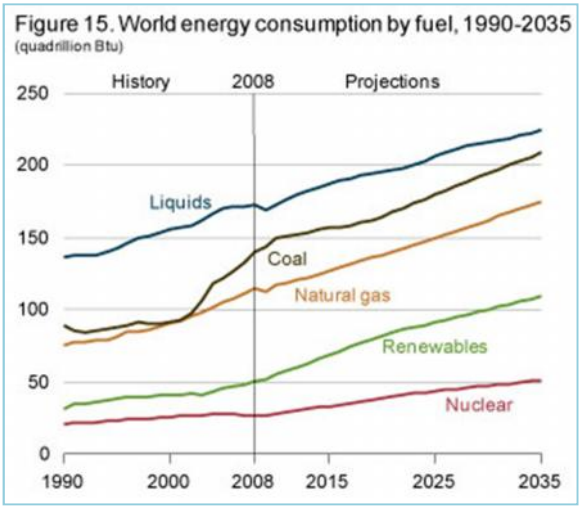
"ODN TAY IV" has all of its necessary certificates.

CLASSIFICATION	
Certificate	**Expiration**
Classification Certificate	9th October 2016
In-water In Lieu of Dry docking & Short Term MODU Safety Certificate issuance	7th February 2014

5.0 CURRENT MARKET

5.1 U.S. Energy Information Administration (EIA) World Energy Consumption





5.2 Local MODU Rig Market

According to IHS Petrodata, the global MODU Rig market has a Utilization Rate of 96% for 2013 and expected to rise in 2014 to roughly 98%. Brazil, likewise, is envisioned to have a high utilization rate for MODUs for the foreseeable future.

On a global scale, there are currently 116 deepwater and ultra-deepwater Semi-submersible Rigs today and roughly 101 of these Rigs are operational. The Brazil drilling market looks to be increasing over the long-term as capital expenditure in the area has been very strong.

The current MODU Rigs operating in Brazil are getting around $400,000 USD (IHS Petrodata) to $440,000 USD (Rigzone) per day. In conclusion, the average expected day rate moving forward is $420,000 USD.

The global MODU Rig rates are averaging slightly higher than the rates secured in Brazil.

5.3 Assumptions

The following items have an influence on Rig day rates:

1. Demand for drilling services is positively associated with oil prices.
2. Day rates increase with increasing oil prices.

3. Day rates and utilization rates are positively correlated.
4. High specification rigs charge higher day rates than low specification rigs.
5. Long-term contracts provide a price premium over short-term contracts.
6. National oil companies pay higher day rates than other companies.
7. Large drilling contractors command higher day rates than smaller contractors.
8. Appraisal drilling programs pay higher day rates than exploratory or developmental drilling.

6.0 REMAINING USEFIL LIFE

6.1 General

GLND has taken into account the following factors for evaluation of the Remaining Useful Life ("RUL"):

- Good quality of construction from reputable yards
- Standard maintenance and upkeep during the unit's working life
- Investment in refurbishment and upgrade
- Geographical area of operation
- Amount of time off-hire

6.2 Remaining Useful Life Evaluation Methodology

The methodology adopted to determine the estimated Remaining Useful Life values of the units is as follows:

- Base-case working life of a typical MODU is assumed to be 30 to 35 years
- Adjustment up or down to reflect design-type of unit and place where it was built
- Adjustment up in years for major refurbishments and/or upgrades performed
- Adjustment up or down to reflect physical assessment of the units' condition, considering corrosion and maintenance records/history
- Adjustment down if records indicate any recurring structural problem or obvious lack of maintenance and steel renewal process
- Adjustment up if unit's history indicates extended periods of work in benign environments
- Adjustment down if unit's history indicates repeated lengthy dry transportation voyages

6.3 Remaining Useful Life

Conservatively, a MODU Rig will have an economic useful life of 15 years for its equipment and an economic useful life of 30 years for the hull structure. Generally, the equipment is periodically refurbished or replaced so that the overall useful life expectancy of these Rigs may exceed 30 years with an equipment maintenance / replacement program and hull refurbishing.

The following items were considered in developing an opinion of the Remaining Useful Life for "ODN TAY IV":

- Overview of CapEx
- DNV Fatigue Utilization Index Statement
- Remaining Economic Useful Life = (Economic Useful Life - Operative Age)
  = (Hull, 20 years – 1 year) and (Equipment, 15 years – 1 year)
  = Hull 19 years and Equipment 14 years

Based on the above, GLND conservatively estimates that "ODN TAY IV" has the following Remaining Useful Life with proper maintenance during operations:

Hull RUL	=	19 years
Equipment RUL	=	14 years

7.0 VALUATION

7.1 Fair Market Value by Market Approach

The Market or also known as Comparable Sales Approach was considered an appropriate method for determining the FMV of "ODN TAY IV" due to comparable sales information on similar units.

The below listed units were considered in establishing a value utilizing the Comparable Sales Approach:

VESSEL NAME	YEAR BUILT	DATE OF SALE	AMOUNT ($ USD)	REMARKS
SONGA ECLIPSE	2011	January, 2013	590.0 Million	7,500' Water depth Deepwater Driller Ltd sold to Seadrill Ltd
WEST CS60 SS 2	2014	April, 2012	650.0 Million	10,000' Water depth Sale by Hyundai Samho Heavy Industries to Seadrill Ltd
WEST CS60 SS 1	2014	April 2012	650.0 Million	10,000' Water depth Sale by Jurong Shipyard to North Atlantic Drilling
WEST LEO	2011	December, 2010	650.0 Million	10,000' Water depth 2 rig deal estimated @ USD $1.2 Billion Sale Lloyd's TSB to Seadrill
WEST PEGASUS	2011	December, 2010	650.0 Million	10,000' Water depth 2 rig deal estimated @ USD $1.2 Billion Sale Lloyd's TSB to Seadrill

The above MODU Rig comparables aren't exact matches but do give a very good indicator of possible Rig Market Values for units that are a couple years old or newer.

With a water depth of 2,400 meters or about 7,874', the "ODN TAY IV" would be marketable in the $575 to $590 Million USD range if it were 2 years old or newer. We then considered that the unit was upgraded in 2012, but at this point with 19 years (of 30 years total) remaining we deducted the used portion of the age from the market value and arrived at an estimated December 2013 **FMV by the Market Approach of approximately $370.0 Million USD.**

Market Valuation cannot be accurately determined for 2022. GLND did not utilize the MODU Market Value in this case.

7.2 Fair Market Value by Cost Approach

In order to determine the FMV of the "ODN TAY IV" by the Cost Approach, we will estimate the cost to build the rig today and depreciate that value to account for the unit's remaining useful economic life.

We have determined that it would have cost approximately $350.0 Million USD to build plus $35.0 Million USD (10%) in soft costs to build the "ODN TAY IV" in 1999 as a drilling rig per information found in ODS-Petrodata's Mobile Rig Register, 9th Edition, Copyright 2004. Using this information, the resultant calculation would be approximately $623.2 Million USD to build the rig today considering a rate of inflation in the construction industry of 3.5% per annum over the last 14 years.

Typically, a MODU will have an economic useful life of 15 years for its equipment and an economic useful life of 30 years for the hull structure. Generally, the equipment is periodically refurbished or replaced so that the overall useful life expectancy of these MODUs may exceed 30 years with an equipment maintenance / replacement program and hull refurbishing.

The estimated cost to replace the MODU new today of approximately $623.2 Million USD can be depreciated to account for the rig having approximately 19 years remaining structural life and 14 years remaining equipment life. GLNDI also assumed that the structural and equipment costs each comprise roughly 50% of the total cost and that the unit would have a $50.0 Million USD salvage value as follows:

623.2 Million {Replacement Cost New} – 50.0 Million {Salvage Value} = 573.2 Million
573.2 Million / 2 = 286.6 Million each - Hull and Equipment Cost
286.6 Million {Hull} x 19/30 remaining life = $181.5 Million USD
286.6 Million {Equipment} x 14/15 remaining life = $267.5 Million USD

This calculation yields $449.0 Million USD. To this value, GLNDI added a salvage value of $50.0 Million USD and arrived at a current Fair Market Value **by the Cost Approach of $499.0 Million USD**.

7.2.1 Depreciation Chart for "ODN TAY IV "

Year	RUL (years)	Annual Hull Depreciation (USD$)	Annual Equipment Depreciation (USD$)	Salvage Value (USD$)	Cost Approach Value Adjusted for 2013 Rates (USD$)
2013	**20**	**$ -**	**$ -**	**$ -**	**$ 499,000,000**
2014	19	$ 11,815,789	$ 16,035,714	$ -	$ 471,148,496
2015	18	$ 11,815,789	$ 16,035,714	$ -	$ 443,296,992
2016	17	$ 11,815,789	$ 16,035,714	$ -	$ 415,445,489
2017	16	$ 11,815,789	$ 16,035,714	$ -	$ 387,593,985
2018	15	$ 11,815,789	$ 16,035,714	$ -	$ 359,742,481
2019	14	$ 11,815,789	$ 16,035,714	$ -	$ 331,890,977
2020	13	$ 11,815,789	$ 16,035,714	$ -	$ 304,039,474
2021	12	$ 11,815,789	$ 16,035,714	$ -	$ 276,187,970
2022	**11**	**$ 11,815,789**	**$ 16,035,714**	**$ -**	**$ 248,336,466**
2023	10	$ 11,815,789	$ 16,035,714	$ -	$ 220,484,962
2024	9	$ 11,815,789	$ 16,035,714	$ -	$ 192,633,459
2025	8	$ 11,815,789	$ 16,035,714	$ -	$ 164,781,955
2026	7	$ 11,815,789	$ 16,035,714	$ -	$ 136,930,451
2027	6	$ 11,815,789	$ 16,035,714	$ -	$ 109,078,947
2028	5	$ 11,815,789	$ -	$ -	$ 97,263,158
2029	4	$ 11,815,789	$ -	$ -	$ 85,447,368
2030	3	$ 11,815,789	$ -	$ -	$ 73,631,579
2031	2	$ 11,815,789	$ -	$ -	$ 61,815,789
2032	1	$ 11,815,789	$ -	$ 50,000,000	$ 50,000,000

This formula equates to $4.0 Million USD in depreciation for "ODN TAY IV" every 3 months.

The resultant 2022 depreciated cost is shown in 2013 USD. To covert to 2022 USD we can estimate an annual inflation rate of 2.5% to get to **an estimated value of $310.1 Million USD.**

7.3 Fair Market Value by Income Approach

In order to determine the Rig's FMV from an income approach, we must project the MODUs expected cash flow over its economic useful life.

In the case of the "ODN TAY IV", the MODU has a current contract with Petrobras. The base day rate is $381,000/day and is 7 years in length (starting March 2013). The maximum bonus structure for the MODUs current contract is 15%. GLND has estimated that half of the bonus will be possible to achieve by Rig operational results.

The MODUs renewal rate for the 2nd (renewal) contract with Petrobras may or may not occur. If so, this contract would most likely be a 7 year contract. Therefore, we have assumed that the rig will continue to operate for someone at a slightly higher day rate of USD $420,000/day. This is the average of current operating day rates and is seen as conservative by GLND. The daily OpEx has also been taken from the current "ODN TAY IV" budget and recent operating results.

GLND has used a 19 year Remaining Useful Life (RUL) to estimate the unit's Fair Market Value (FMV) by the Income Approach. An assumed RUL of 19 years for rig was derived based on the rig being upgraded 1 year ago at which time it was assumed that the equipment was essentially made new (or like new) giving the rig a 15 year equipment RUL. We are also assuming that the equipment will be refurbished as necessary in order to extend the RUL to 19 years which is the same as the Unit's Hull life.

The "ODN TAY IV" Rig Uptime has been estimated to be 95% for RUL of the Rig. The "ODN TAY IV" Rig Utilization has been estimated to be 100% during the contract periods and 95% between each contract to account for dry-docking and Class special surveys.

The total Net Income for each of the periods was then discounted at a rate of 10% compounded annually.

No inflation rates have been calculated as the Charter and OpEx inflation rates would most likely be positively correlated.

7.3.1 Income Approach analysis for "ODN TAY IV" in December 2013

The worksheet to calculate the "ODN TAY IV" FMV in December 2013 can be seen below.

DISCOUNTED ANNUAL CASH FLOWS ($ Million USD)				
Years	**1 - 6**	**7**	**8 - 14**	**15 - 19**
Day Rate	$ 0.381	$ 0.420	$ 0.420	$ 0.420
Bonus	$ 0.029	$ 0.032	$ 0.032	$ 0.032
Annual Revenues	**$ 149.49**	**$ 164.80**	**$ 164.80**	**$ 164.80**
Daily OpEx	$ 0.155	$ 0.155	$ 0.155	$ 0.165
Annual OpEx	$ 56.58	$ 56.58	$ 56.58	$ 60.23
Annual Net Income	**$ 92.92**	**$ 108.22**	**$ 108.22**	**$ 104.57**
Availability	100%	95%	100%	95%
Uptime	95%	95%	95%	95%
Annual Adjusted Income	**$ 88.27**	**$ 97.67**	**$ 102.81**	**$ 94.38**
Discount Rate	10%	10%	10%	10%
Present Value	$403.22	$52.57	$269.39	$98.81
NET PRESENT VALUE	**$ 824.0**			

Therefore, the resulting Net Present Value of the expected future cash flows for "ODN TAY IV" at December 2013 is **estimated to be $824.0 Million USD.**

7.3.2 Income Approach analysis for "ODN TAY IV" in December 2022

The worksheet to calculate the "ODN TAY IV" FMV in December 2022 can be seen below.

DISCOUNTED ANNUAL CASH FLOWS ($ Million USD)				
Years	**1 - 5**		**6 - 10**	
Day Rate	$	0.420	$	0.420
Bonus	$	0.032	$	0.032
Annual Revenues	**$**	**164.80**	**$**	**164.80**
Daily OpEx	$	0.155	$	0.165
Annual OpEx	$	56.58	$	60.23
Annual Net Income	**$**	**108.22**	**$**	**104.57**
Availability		100%		95%
Uptime		95%		95%
Annual Adjusted Income	**$**	**102.81**	**$**	**94.38**
Discount Rate		10%		10%
Present Value		$408.76		$232.98
NET PRESENT VALUE	**$**	**641.7**		

Therefore, the resulting Net Present Value of the expected future cash flows for "ODN TAY IV" at December 2022 is **estimated to be $641.7 Million USD.**

8.0 CONCLUSION

GLND has performed a determination of the estimated FMV for the MODU "ODN TAY IV" as of the dates below and with a Charter/Services agreement currently in place. GLND has utilized 3 (three) appraisal methods in determining the units' FMVs and the results are as listed below.

8.1 FMV for "ODN TAY IV" in December 2013

Fair Market Value for "ODN TAY IV"

FMV by Market Approach	:	$370.0 Million USD
FMV by Cost Approach	:	$499.0 Million USD
FMV by Income Approach	:	$824.0 Million USD

8.2 FMV for "ODN TAY IV" in December 2022

Fair Market Value for "ODN TAY IV"

FMV by Market Approach	:	Not Available
FMV by Cost Approach	:	$310.1 Million USD
FMV by Income Approach	:	$641.7 Million USD

9.0 LIMITING CONDITIONS

GLND has no interest in the Odebrecht or any other institution mentioned in this report nor do they plan to acquire a future interest in "ODN TAY IV".

Information furnished by others upon which all or portions of this report are based, is believed to be reliable, but has not been verified in all cases. No representation or warranty is given as to the accuracy of such information.

This report is furnished on an opinion basis, and is not to be considered a guarantee or warranty, expressed or implied, including any implied warranty or merchantability or fitness for use, regarding the condition of value of the asset and it should not be relied upon as such.

GLND assumes no liability and shall not be liable for any mistakes, or any omissions or errors in judgment of its employees beyond the cost of this Report. This limitation of liability shall include and apply to all consequential damages, bodily injury, legal fees and property damage of any nature.

No investigation has been conducted on the title to the asset. Title to the asset is assumed good and marketable. No consideration has been given to liens or encumbrances, which may be against the asset.

The information in this report is not to be reproduced in part or in full, nor used out of context in any form without the written consent of GLND.

This Report is intended for the sole use of the person to whom it is addressed and no liability of any nature whatsoever, to any other party, is assumed by GL Noble Denton, Inc. with respect to the Report contents herein. As to the addressee, neither the Company nor the undersigned shall (save as provided in the Company's Conditions of Business dated the 1st of March, 2011) be liable for any loss or damage whatsoever suffered by virtue of any act, omission or default (whether arising by negligence or otherwise) by the undersigned, the Company or any of its servants. Nothing herein should be considered as a Certificate or Warranty of Seaworthiness, as GL Noble Denton, Inc. cannot make such a guarantee or issue such a certificate or warranty.

GL NOBLE DENTON, INC.

Signed by:

Alan Scarborough
Appraisals Manager

Countersigned by:

Jarrett Henderson
Due Diligence Analyst

Appendix B

Insurance Advisor Reports

To the interested parties in the financing of Norbe VI, ODN I and ODN II

BankAssure
8 Devonshire Square
London EC2M 4PL
t 020 7623 5500
f 020 7621 1511

INSURANCE REPORT

Our ref B81302211
Date: 15th May, 2013

The opinion contained in this interim insurance report (the "Report") has been drafted for the use of the initial arranger and any interested parties in the finance project and/or their Lawyers and/or their Agents and/or appointed Rating Agencies. In accordance with usual practise we would request that it is not released in whole or in part to any other party unless prior agreement is obtained from Aon BankAssure.

COLLATERAL ASSETS: Norbe VI / ODN I / ODN II

1. GENERAL COMMENTS

- Reference is made within the Report to certain standard clauses; the clause number and date is shown in brackets, for example (LSW678) (12/97). Clauses of this type are internationally known and used within the shipping and insurance markets, providing basic coverage and are stress tested through legal systems on many occasions when claims or disputes occur. All clauses referenced in this way are known to the undersigned, provide acceptable levels of coverage and recommended by the Owners' Broker as suitable for purpose. As such, these standard clauses are not analysed in detail.

- A Protection and Indemnity policy, commonly known as P&I insurance, provides protection for the owner against liabilities for which they are held liable arising following the usual operational risks for which an owner in this sector may become liable. These perils typically include pollution liabilities, crew liabilities and removal of wreck liabilities. Coverage is usually provided by a P&I Club that provides cover for its members, typically be ship-owners, ship-operators or demise charterers, either on a mutual basis, where by each member could be required to pay supplementary premiums to meet the liabilities of the Club or on a fixed premium basis. Whilst this latter approach is slightly more expensive at the outset it does ensure the member is not liable for future additional costs in any policy year. In this instance Odebrecht Oil and Gas have prudently arranged their P&I insurance on a fixed basis (ie no supplementary calls will be charged).

- In each instance insurances are assessed to ensure that, in the opinion of the undersigned, they protect operational risks typically insured and insurable on similar assets in the same operational area and business sector.

- Certain industry standard exclusions and restrictions apply. These types of exclusions are mandatory and will appear in insurances arranged on other similar assets in this sector. These mandatory exclusions cannot be avoided or insured against and are recognised as uninsurable trading risks. These for example include the mandatory stipulation that no claim can be paid to an entity if payment would be in breach of international trade sanctions, e.g. to a sanctioned country.

- The insurances typically include one or more specified deductible ('excess'). This is also an industry wide practice and each deductible is assessed to verify it does not adversely affect the integrity of the collateral asset to the detriment of the financiers.

- Deductibles can vary from year dependant on the risk appetite of the Borrower and the aversion to risk of their chosen underwriter. In this instance Odebrecht Oil and Gas have arranged their insurances subject to a deductible which is at the lower end of the band typically considered normal for this type of asset at this time. Effectively therefore, this underscores their appetite to be risk adverse. Deductibles can vary from year to year and any changes will be monitored and commented on in future insurance opinions.

- The placing of the 2013 Package policy is recently concluded and this Opinion is based on the 2013-2014 Package policy which essentially maintains coverage on equivalent terms and conditions to the expiring policy year.

2. EXECUTIVE SUMMARY

1. The insurances on the Norbe VI, ODN I and ODN II (the "**Assets**") have been arranged in the international insurance market in accordance with good industry practise for a marine offshore asset of this nature. Aon BankAssure is of the opinion that the insurance programme is structured to appropriately protect the Assets.

2. The insurances arranged for the Assets require several policies to be combined to cover various operational risks. The combination of insurance policies is standard in the marine offshore sector. Aon BankAssure has reviewed the insurance programme for the Assets which comprises:
   (i) **Physical Loss or Damage Insurances**, to protect the Assets from **marine risks** such as marine and hostile acts (e.g. perils of the sea/weather risks and war / terrorism risks). The Hull and Machinery, Increased Value and War Risks have been arranged in a combined policy with the Physical Loss or Damage Insurances; and
   (ii) **Accelerated Costs of Replacement**, to provide further marine total loss protection, similar in essence to the Increased Value section as outlined in (i) above.
   (iii) **Protection and Indemnity (P & I) Insurance** to protect the Assets from **third party risks** such liabilities for which the assured party may be held legally liable (e.g. pollution / crew / cargo / removal of wreck obligations).
   (iv) **Loss of Hire / Earnings Insurance,** to provide a pre agreed daily indemnity amount in the event any insured asset is unable to work due a casualty insured on the corresponding physical loss or damage policy.

3. Insurances are typically arranged on an annual renewable basis in accordance with usual practice in the marine offshore sector. This is common and acceptable practice in the marine offshore sector and in particular for this transaction. If required, a further review of the Physical Loss or Damage Insurances will be carried out by the undersigned on behalf of the interested parties following the next renewal date (scheduled 24th May, 2014) and periodically thereafter following the renewal of Odebrecht Oil and Gas's fleet policy.

4. The **Protection and Indemnity** ("**P&I**") **Insurance** will expire on 20th February 2014 at Noon. The 20th February date is the common expiry date for assets insured for P&I risks and entered into the International Group Agreement of the P&I Clubs. Any periodic renewal of the Package policy will include a review of the corresponding P&I combined policy in place at that time. A separate review of each P&I policy is not necessary; P&I policies follow a standard and well publicized format and as such any changes in the scope of coverage is publicized in the industry press well in advance of each renewal allowing the undersigned to scrutinize changes well in advance. As such there is no need to review separately each P&I policy immediately following the P&I renew; these are typically included in the subsequent review provided for the combined P&I policy.

5. The insurance policies and insured amounts arranged for the Assets are summarized below:

Combined Insurance Policies	**Insured Amounts**
Physical Loss or Damage Insurances	**Norbe VI:** **USD 663,200,000** including: • Hull and Machinery USD 450,560,000 • Increased Value: USD 112,640,000 • Accelerated Costs of Replacement: USD 100,000,000 • War Risks (Hull / Increased Value/Accelerated Costs of Replacement USD 663,200,000 **ODN I:** **USD 778,400,000** including: • Hull and Machinery USD 542,720,000 • Increased Value: USD 135,680,000 • Accelerated Costs of Replacement: USD 100,000,000 • War Risks (Hull / Increased Value/Accelerated Costs of Replacement) USD 778,400,000 **ODN II:** **USD 778,400,000** including: • Hull and Machinery USD 542,720,000 • Increased Value: USD 135,680,000 • Accelerated Costs of Replacement: USD 100,000,000 • War Risks (Hull / Increased Value/Accelerated Costs of Replacement) USD 778,400,000
P&I Insurance	**USD 300,000,000 each asset plus USD 25,000,000 Comprehensive General Liabilities.**
Loss of Hire / Earnings Insurance	Norbe VI - USD 63,213,840 ODN I - USD 66,250,800 ODN II – USD 66,250,800

6. The panel of insurers follows a similar panel to the expiring year underscoring the Odebrecht business ethos of maintaining long term relationships with its business partners.

7. We have been provided with the agreed policy wording and policy endorsements. The policy wording is based on the London Market Mobile Unit Form, which is a standard format for marine offshore assets.

8. Lenders' normal requirement is that all insurers meet credit ratings of not less than A- from Standard & Poor's ("**S&P**") or equivalent rating from Moody's or Fitch. We have reviewed the underwriting security of the insurers and for guidance purposes only credit rating from S&P is shown. It is acknowledged that on many occasions an equivalent rating will be provided from another reputable credit rating agency, for example AM Best, who provides credit ratings the insurance industry.

9. It is also noted that the leading underwriter of the Physical Loss or Damage Insurances is Lloyds Syndicate COF 1036 (part of the QBE group), a recognised leading **underwriter** in the respective class of business. This is pertinent as the leading underwriter of each section has claims negotiating authority on behalf of all other participating underwriters for the relevant section of the policy on which the claim is submitted.

10. **Aon Ltd and Lloyd and Partners LLP.** Are appointed insurance brokers (the "**Brokers**") for the Assets and they will arrange the policies for physical loss and damage purposes. Aon Ltd and Lloyd and Partners are established International Insurance Brokers and recommended for approval. Odebrecht have arranged the P&I directly with Gard in accordance with common market practise.

3. COMBINED INSURANCES AND INSURED AMOUNTS

3.1 Physical Loss or Damage Insurances

The Assets are insured against **physical loss or damage** on the assets (e.g. marine and war) for a total of USD 663,200,000 (Norbe VI), USD 778,400,000 (ODN I) and USD 778,400,000 (ODN II) , being (i) the agreed insured value on the Hull and Machinery risk plus (ii) the Increased Value/Accelerated Cost of Replacement sums insured.

'Agreed Value' Explanation
The indemnity provided in an insurance policy can be on a market value, a reinstatement value or an agreed value basis. In the marine offshore insurance sector, policies are issued on agreed value. The value of a marine offshore asset comprises of both the physical value of the asset once built including all the equipment and machinery affixed to the asset and certain factors in the projected earning capabilities of the asset under any long term contracts /charters. The agreed value will be determined by the two professional entities (assured and insurers) in the insurance contract. Both the assured and the insurers will accept that the insured value of the asset is specified in the policy and that claims will be based on the agreed value in all normal circumstances.

Combined Insurance Arrangements
Physical Loss or Damage Insurances are arranged as part of a **combined policy**. A combined policy groups together a number of underwriters who are familiar with a diverse number of insurances (in this case offshore energy risks) and who are willing to insure the whole combined offered to them. This approach benefits both the assured and the insurers. This approach is more economical for the assured to obtain better premium costs. For insurers, it offers a diverse exposure, reducing the possibility of a catastrophe aggregation of losses. Combined policies are arranged with insurers familiar with the class of business utilising the services of an insurance broker recognised to specialise in the energy sector.

Piracy
The risks of piracy and the effect it has on shipowners is very much on the agenda at this time and there are differing opinions in the insurance sector whether piracy should be considered a marine peril or a 'war' peril. From the position of the financiers this is largely academic as long as coverage is in place. For ease of reference we can confirm at this time the risk is covered by way of the marine clauses. We would also comment that piracy coverage incidents are unheard of in the projected area of operation for these assets.

Flag State Requirements
Ship-owners must comply with the requirements of the Flag State. Failure to comply with the statutory requirements of the Flag State, or maintain the validity of any statutory certificates issued by or on behalf of the Flag State could impact negatively the insurance coverages provided.

Warranties
The physical loss or damage policy contains certain warranties, some are shown as 'Expressed' and others as 'Implied'. An implied warranty is that the venture is legal and that full disclosure of all material facts has been made to the Insurers and that an asset is seaworthy. Expressed warranties are those specifically endorsed on the policy concerning a particular circumstance. Non compliance with warranties in this sector can render a policy void even if the breach of the warranty had no affect on the cause of loss.

3.2 Protection and Indemnity Insurance

The Assets are insured against third party risk including pollution liabilities with a P&I insurance for an amount of **USD 325,000,000** each asset inclusive of the additional Comprehensive General Liability protection.

Comment on Amount Insured

Odebrecht Oil and Gas's corporate philosophy is to insure each asset in a fleet policy for P&I insurance. The P&I limits covered under Odebrecht Oil and Gas fleet policy for the operational stage are USD 300,000,000 per asset, which is commonly purchased P&I limit on offshore energy assets operational in this region and is recommended for acceptance.

Within the Protection and Indemnity entry, Odebrecht Oil and Gas have included a CGL (Comprehensive General Liability) section. This section is a recognised addition to an offshore Protection and Indemnity entry prudently bought by owners of marine offshore assets and provides certain additional liability protection typically excluded from a marine Protection and Indemnity entry but beneficial for an offshore specialist operation. Coverage is for a separate and additional USD 25,000,000 each asset (USD 10,000,000 in respect of pollution claims) per event and in the aggregate in any one policy year.

It should be noted that this limit of USD 300,000,000 bears no relevance to the market value of the Asset and the P&I limits offered are based on a cost/potential exposure analysis. This proposed limit compares favourably to other operators in the sector, some of whom offer limits as low as USD 50,000,000 due to hold harmless agreements.

It should be noted that the limits of liability purchased on energy assets are typically lower than for navigating shipping tonnage. The exposure for stationary assets such as these Assets are assessed by insurers and other industry experts as lower and as such the limits offered are also lower.

Pollution Liabilities

Customary in the marine offshore sector, the licence holder of the well accepts liability for pollution caused by the oil produced from the well and typically holds harmless the contractor above certain limits of liability. The pollution risk is covered for a limit of USD 300,000,000 within the P&I limit. We understand that pursuant to the Charter Party Contract and the Services Agreement, Petrobras hold harmless and indemnify the contractor for any claims in excess of a pre agreed threshold as Petrobras will also have its own liability coverage. For sake of best protection, both contractor and the field operator will be named on the corresponding liability policy arranged by the other party. This cross naming is standard industry practice so as to best protect any active parties in the project.

Interest of Mortgagees / Loss Payable

The Mortgagee will be endorsed as the Assignee and Loss Payee on behalf of the financiers/Collateral Agent. This is the usual requirement when providing structured finance and allows the Assignee to take 'ownership' of the policy at any time, whilst ensuring they assume no obligation for outstanding premiums. It should be noted that the interest of the Mortgagee as assignee is primary to the interest of any other insured partner and physical loss or damage claims will be payable initially to the Mortgagee to enable the release of the debt. Third Party liability claims will be payable to the claimant in accordance with usual practice.

The combined policy has been reviewed to ensure the Mortgagees are correctly noted on the combined policy and the Notices of Assignment endorsed. This will ensure that claim proceeds greater than a pre agreed small claim threshold will be paid to financiers for distribution as appropriate.

Whilst the interest of the financiers will be noted on the P&I policy, they have little financial benefit from the coverage. By acknowledging their limited interest, it does oblige the P&I insurer to give certain separate contractual undertakings to the financiers, these are explained in more detail in the paragraph shown below.

4. OPINION/CONCLUSION

It is the opinion of the undersigned that the insurance arrangements as evidenced by the documents reviewed are recommended for acceptance as they are in good order, in accordance with high industry practice and adequately protect the Assets against insurable risks arising from this type of operation.

Yours faithfully,
Aon BankAssure Insurance Services

Alec Morten
Director

APPENDIX 1

PROJECT RISKS AND REVIEW OF INSURANCE PROGRAMME

1. Hull and Machinery

Coverage Overview:

Hull and Machinery Insurance typically covers physical loss or damage to the insured asset arising from perils of the sea and other recognised perils. A policy deductible will be applied to partial loss or damage claims whereas claims following the total loss of the asset will not typically be subject to a policy deductible. Coverage will be arranged on a combination of internationally recognised clauses and certain clauses prepared specifically for this deal. This is usual practise. Any non standard clauses are scrutinised to ensure they do not adversely affect the coverage. Coverage has been reviewed to verify it is in line in terms of scope of cover, deductibles, conditions, warranties and the like with what we would expect to see arranged by a leading shipowner in this sector.

Hull and Machinery Policy Summary

Assured: Norbe VI :
Odebrecht Drilling Norbe Six GmbH (as Insured)
Odebrecht Norbe VI GmbH (as Owner)

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Petroleo Brasileiro S.A as Third Party
Including the interests of the Bank of America as Mortgagee on behalf of itself and other Syndicate members.

ODN I:
ODN I GmbH as principal Assured and Owner

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A as Third Party
Including the interests of HSBC Bank USA, National Association as Collateral Trustee and Mortgagee on behalf of itself and other Syndicate banks.

ODN II:
ODN I GmbH as Primcipal Assured and Owner

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A as Third Party.

Period: From 24th May, 2013 and to expire 24th May, 2014
both days 12.01 am Local Standard Time at the address of the Assured.

Value: USD 450,560,000 (Norbe VI), USD 542,720,000 (ODN I), USD 542,720,000 (ODN II). These are agreed values (see note below)

Deductibles: USD 5,000,000 any one accident and/or occurrence.
However, any claim recoverable in respect of a Total or Constructive Total Loss would be payable in full.

Conditions: Subject to the terms and conditions based on the London Market Mobile Unit Form LSW 678 (12/97) including:

General Average, Salvage and Salvage Charges for an additional limit of 25% of the Total Insured Value, and Sue and Labour Expenses for an additional limit of 25% of the total insured value, but not exceeding a combined loss limit of 125% of the Total Insured Value in all.

Coverage excludes liabilities in respect of removal of wreck, wreckage and debris and collision *(which liabilities are covered within the Protection and Indemnity entry).*

Coverage includes some minor works coverage as specified in the policy but not exceeding a value of USD 25,000,000.

Coverage includes physical loss or damage to miscellaneous equipment to a limit of USD 15,000,000.

The policy includes current mandatory / industry standard clauses including the following:

Institute Radioactive Contamination, Chemical, Biological, Bio-chemical and Electromagnetic Weapons Exclusion Clause (CL.370) (10.11.03).
Chemical and Electromagnetic Weapons Exclusion Clause CL 380.
US Economic and Trade Sanctions Clause.
Sanction Limitation and Exclusion Clause.
Premium Payment Clause LSW 3000.

Certain further additional clauses are included in keeping with common practise, including:

Excluding loss or damage to the drill stem and in hole equipment unless directly resulting from specifically named perils.

Trading is permitted to include waters of Brazil, but also Abu Dhabi and/or South Korea and/or delivery transit if required (subject to details of completion of sea trials and acceptance by the yard.

Excluding losses arising from Named Windstorms in the Gulf of Mexico *(this is a common exclusion imposed by certain insurers so as to best manage their Gulf of Mexico windstorm exposure and is imposed even if the insured asset has no intention of operating in the Gulf of Mexico).*

Shifts in excess of 1000 nautical miles are covered in accordance with the Mobile Unit Shift Addendum LSW 498. *This clause specifies the basis on which shifts of the unit can be undertaken.*

The clause warrants inter alia that:

- shifts must be agreed in advance by reputable shift surveyors GL Noble Denton.
- shifts must be agreed in advance
- all recommendations of the surveyor must be complied with.

Insurance is specified as subject to the laws of the State of New York, USA and the exclusive jurisdiction of the UK courts.

Premium is payable on a quarterly deferred basis (payable 1st August, 24th October, 24th January and 24th April) and a usual Brokers Cancellation Clause applies in the event of non-payment of premium. *(To clarify, the Broker is obliged to always act in the best interests of the Assured. This could leave the Broker in the uneviable position of not being allowed to cancel the policy even if no premium was paid. To counteract this anomaly, so called Brokers Cancellation Clauses evolved. These form part of the contract and overrule the Brokers 'best interests' obligation, thereby allowing the Broker to instigation cancellation should be premium not be paid by giving the Assured formal notice of the intention to cancel. Notwithstanding this clause, by way of the Letter of Undertaking as described above, the Broker cannot cancel the policy without giving prior direct notice to the financiers and an opportunity to rectify the situation (as explained above).*

INSURERS: 8.00% Lloyds Syndicate COF 1036 (S&P A+ rated)

1.90% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.90% Lloyds Syndicate AES 1225 (S&P A+ rated)

4.85% Markel International Insurance Co. Ltd. (Bests A rated)

5.00% ACE European Group (S&P AA- rated)

10.00% Gard Marine and Energy (S&P rated A+)

6.80% Axis Re Limited (S&P rated A+)

6.70% Lancashire Insurance UK Ltd. (S&P A- rated)

2.70% Torus Insurance (UK) Ltd. (Bests A- rated).

2.70% WR Berkley Insurance (Europe) Ltd (S&P A)

2.10% Arch Insurance Co (Europe) Ltd (S&P A+)

1.25% HCC Underwriting Agency (S&P AA rated)

4.50% Lloyds Syndicate AFB 2623/623 (S&P A+ rated)

4.60% Lloyds Syndicate CSL 1084 (S&P rated A+)

4.50% Lloyds Syndicate SJC 2003 (S&P rated A+)

4.50% Lloyds Syndicate WTK 457 (S&P A+ rated)

2.50% Lloyds Syndicate XL 1209 (S&P A+ rated

0.90% Lloyds Syndicate ASP 4711 (S&P rated A+)

2.70% Lloyds Syndicate AUW 609 (S&P rated A+)

0.90% Lloyds Syndicate ARK 4020 (S&P A+ rated)

4.50% Lloyds Syndicate CVS / TOR 1919 / 2243 (S&P rated A+)

11.00% AIG Europe Ltd (S&P A rated)

4.50% Swiss Re International SE (S&P AA- rated)

2. Increased Value / Disbursements (Marine risks)

Coverage Overview:

Increased Value insurance is an industry method by which an assured can reduce his premium expenditure. Increased Value insurance is placed in conjunction with the Hull and Machinery policy and should be read in conjunction with the Hull and Machinery policy. An increased value policy responds following settlement of the Hull and Machinery policy only in the event of a total loss on the underlying marine Hull and Machinery policy and then will respond for the stated sum insured. The combination of settlement by the Hull and Machinery and Increased Value policies provides coverage for the full insurable value of the asset. In view an Increased Value policy does not contribute to certain partial loss incidents, the premium charged is proportionately lower. As such Hull and Machinery insurers typically restrict the amount that can be insured on this Increased Value basis so that it is not disproportionate to the underlying Hull and Machinery policy thereby generally inadequate amounts of premium for the partial loss exposure or causing for example a total loss threshold to be achieved at inappropriately low amount. As with the Hull and Machinery policy, coverage has been reviewed so as to verify it is in line with what we would expect to see arranged by a leading owner in this sector.

Increased Value /Disbursements Policy Summary

Assured: Norbe VI :
Odebrecht Drilling Norbe SixGmbH (as Insured)
Odebrecht Norbe VI GmbH (as Owner)

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Petroleo Brasileiro S.A as Third Party
Including the interests of the Bank of America as Mortgagee on behalf of itself and other Syndicate Banks

ODN I:
ODN I GmbH as Principal Assured and Owner

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A as Third Party.

Including the interests of HSBC Bank USA, National Association as Collateral Trustee and Mortgagee on behalf of itself and other Syndicate banks.

ODN II:
ODN I GmbH as Principal Assured and Owner

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A as Third Party

Period: From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.

Amount: Increased Value / Disbursements
USD 112,640,000 (Norbe VI), USD 135,680,000 (ODN I), USD 135,680,000 (ODN II)

Conditions:

Subject to the Institute Time Clauses - Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) (CL. 290) (1.10.83).

Certain additional clauses and mandatory exclusions and warranties are included from the Hull and Machinery policy as far as applicable.

Insurers:

8.00% Lloyds Syndicate COF 1036 (S&P A+ rated)

2.90% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.90% Lloyds Syndicate AES 1225 (S&P A+ rated)

4.85% Markel International Insurance Co. Ltd. (Bests A rated)

5.0% ACE European Group (S&P AA- rated)

10.00%Gard Marine and Energy (S&P rated A+)

6.80% Axis Re Limited (S&P rated A+)

6.70% Lancashire Insurance UK Ltd. (S&P A- rated)

2.70% Torus Insurance (UK) Ltd. (Bests A- rated).

2.70% WR Berkley Insurance (Europe) Ltd (S&P A)

2.10% Arch Insurance Co (Europe) Ltd (S&P A+)

1.25% HCC Underwriting Agency (S&P AA rated)

4.50% Lloyds Syndicate AFB 2623/623 (S&P A+ rated)

4.60% Lloyds Syndicate CSL 1084 (S&P rated A+)

4.50% Lloyds Syndicate SJC 2003 (S&P rated A+)

4.50% Lloyds Syndicate WTK 457 (S&P A+ rated)

2.50% Lloyds Syndicate XL 1209 (S&P A+ rated

0.90% Lloyds Syndicate ASP 4711 (S&P rated A+)

2.70% Lloyds Syndicate AUW 609 (S&P rated A+)

0.90% Lloyds Syndicate ARK 4020 (S&P A+ rated)

4.50% Lloyds Syndicate CVS / TOR 1919 / 2243 (S&P rated A+)

11.00% AIG Europe Ltd (S&P A rated)

4.50% Swiss Re International SE (S&P AA- rated)

3. Accelerated Costs of Replacement (Marine risks)

Coverage Overview:

*Similar in essence to an Increased Value policy, Accelerated Costs of Replacement ('**ACR**') insurance is an industry method by which an assured can reduce his premium expenditure. ACR insurance is placed in conjunction with the Hull and Machinery policy and should be read in conjunction with the Hull and Machinery policy and the corresponding Increased Value policy. An ACR policy responds following settlement of the Hull and Machinery policy only in the event of a total loss on the underlying marine Hull and Machinery policy and then will respond for the stated sum insured. The combination of settlement by the Hull and Machinery, Increased Value and Accelerated Costs of Replacement policies provides coverage for the full insurable value of the asset plus projected costs that will be incurred in replacing the asset. In view an ACR policy does not contribute to certain partial loss incidents, the premium charged is proportionately lower. As such Hull and Machinery insurers typically restrict the amount that can be insured on this Increased Value basis so that it is not disproportionate to the underlying Hull and Machinery policy thereby generally inadequate amounts of premium for the partial loss exposure or causing for example a total loss threshold to be achieved at inappropriately low amount. As with the Hull and Machinery policy, coverage has been reviewed so as to verify it is in line with what we would expect to see arranged by a leading owner in this sector.*

Accelerated Costs of Replacement Policy Summary

Assured: Norbe VI :
Odebrecht Drilling Norbe Six GmbH (as Insured)
Odebrecht Norbe VI GmbH (as Owner)

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Petroleo Brasileiro S.A as Third Party
Including the interests of the Bank of America as Mortgagee on behalf of itself and other Syndicate banks.

ODN I:
ODN I GmbH as Principal Insured and Owner

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A as Third Party
Including the interests of HSBC Bank USA, National Association as Collateral Trustee and Mortgagee on behalf of itself and other Syndicate banks.

ODN II:
ODN I GmbH as Principal Assured and Owner.

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A as Third Party

Period: From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.

Amount: USD 100,000,000 each asset

Conditions: Subject to the Institute Time Clauses - Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) (CL. 290) (1.10.83).

Certain additional clauses and mandatory exclusions and warranties are included from the Hull and Machinery policy as far as applicable.

Insurers:

30.00% Lancashire Insurance UK Ltd (S & P A- rated)

30.00% Ace European Group (S&P AA- rated)

6.00% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.970% WR Berkley Insurance (Europe) (S&P A rated)

6.58% Lloyds Syndicate ASP 4711 (S&P rated A+)

6.58% Lloyds Syndicate TAL 1183 (S&P rated A+)

4.93% Lloyds Syndicate AUW 609 (S&P rated A+)

3.30% Lloyds Syndicate SJC 2003 (S&P rated A+)

1.64% Lloyds Syndicate AES 1225 (S&P rated A+)

9.00% AIG Europe Ltd (S&P A)

4. War Risks, Hull and Machinery/Increased Value/ Accelerated Costs of Replacement.

Coverage Overview:

A war and allied perils policy will protect the assured against loss or damage to the asset caused by hostile acts specified in the policy wording and excluded from the corresponding marine policies. The war policy will still include certain mandatory cancellation provisions, for example cancellation is automatic in the event of a nuclear war in between any of the so called major nuclear powers. A policy such as this will also contain a 7 days cancellation clause allowing the insurers to give notice of cancellation at any time should the risk deteriorate and the insurers wish to re rate the risk or withdraw their support entirely in the event of catastrophic deterioration in the stability of the region in which the asset is operating. Again, this is a mandatory clause which cannot be removed.

War Risks Policy Summary:

Assured: Norbe VI :
Odebrecht Drilling Norbe Six GmbH (as Insured)
Odebrecht Norbe VI GmbH (as Owner)

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Petroleo Brasileiro S.A as Third Party
Including the interests of the Bank of America as Mortgagee on behalf of itself and other Syndicate banks.

ODN I:
ODN I GmbH as Principal Assured and Owner

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A as Third Party
Including the interests HSBC Bank USA, National Association as Collateral Trustee and Mortgagee on behalf of itself and other Syndicate banks.

ODN II:
ODN I GmbH as Principal Assured and Owner
Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A as Third Party

Period: From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.

Amount: Norbe VI - USD 663,200,000 (total Hull and Machinery/Increased Value/ Accelerated Cost of Replacement).

ODN I – USD 778,400,000 (total Hull and Machinery/Increased Value/ Accelerated Cost of Replacement)

ODN II – USD 778,400,000 (total Hull and Machinery/Increased Value/ Accelerated Cost of Replacement)

Conditions War, Strikes, Riots, Civil Commotions, Malicious Damage, Confiscation and Expropriation Risks as Institute War and Strikes Clauses – Hulls - Time (1.10.83) (CL.281).

Offshore Sabotage and Terrorism are covered as per Addendum No 42B subject to 48 hours notice of cancellation at any time. Onshore Sabotage and Terrorism is excluded absolutely.

War Protection and Indemnity is covered for a separate limit up to the total sum insured (Hull plus IV plus Accelerated Cost of Replacement) of each asset.

Trading on a world-wide basis is allowed subject to the limitation and exclusions imposed by the current War Risks Trading Warranties Exclusions which defines those areas to which trading is excluded or held covered at an additional premium to be agreed by Insurers. Again this is all in accordance with common market practice and the policy notes that the asset is operational off of Brazil.

Certain standard and mandatory clauses as contained in the Hull and Machinery policy are also included herein.

The policy contains a mandatory 7 day cancellation provision by which the insurer or the insured can cancel the insurance at any time.

The policy contains a mandatory War Automatic Termination of Cover Clause which operates in the event of any hostile detonation of a nuclear weapon of war, or outbreak of war in between any of the five great powers.

Insurers: 8.00% Lloyds Syndicate COF 1036 (S&P A+ rated)

2.90% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.90% Lloyds Syndicate AES 1225 (S&P A+ rated)

4.85% Markel International Insurance Co. Ltd. (Bests A rated)

5.00% ACE European Group (S&P AA- rated)

10.00% Gard Marine and Energy (S&P rated A+)

6.80% Axis Re Limited (S&P rated A+)

6.70% Lancashire Insurance UK Ltd. (S&P A- rated)

2.70% Torus Insurance (UK) Ltd. (Bests A- rated).

2.70% WR Berkley Insurance (Europe) Ltd (S&P A)

2.10% Arch Insurance Co (Europe) Ltd (S&P A+)

1.25% HCC Underwriting Agency (S&P AA rated)

4.50% Lloyds Syndicate AFB 2623/623 (S&P A+ rated)

4.60% Lloyds Syndicate CSL 1084 (S&P rated A+)

4.50% Lloyds Syndicate SJC 2003 (S&P rated A+)

4.50% Lloyds Syndicate WTK 457 (S&P A+ rated)

2.50% Lloyds Syndicate XL 1209 (S&P A+ rated

0.90% Lloyds Syndicate ASP 4711 (S&P rated A+)

2.70% Lloyds Syndicate AUW 609 (S&P rated A+)

0.90% Lloyds Syndicate ARK 4020 (S&P A+ rated)

4.50% Lloyds Syndicate CVS / TOR 1919 / 2243 (S&P rated A+)

11.00% AIG Europe Ltd (S&P A rated)

4.50% Swiss Re International SE (S&P AA- rated)

4. Loss of Hire / Earnings Insurance

Coverage Overview:

A Loss of Hire/Earnings policy will protect the assured against loss of revenue amounts suffered from a partial loss insured under the physical loss or damage policies. The Loss of Hire/ Earnings policy will then respond for a pre determined amount for the period in which the asset is not working up to a pre determined maximum period. A Loss of Hire policy will not respond following the total loss of the asset. In this eventuality a policy such as the accelerated Cost of Replacement will provide a lump sum payment which replaces the need for the Loss of Hire policy to respond. A Loss of Hire / Earnings policy, whilst quite common, is not mandatory or typically purchased in this sector. The purchase of a policy of this type protects the revenue stream of the assured and underscores the pro active approach by this borrower in best protecting the assets.

Loss of Hire / Earnings Insurance Policy Summary

Assured: Norbe VI :
Odebrecht Drilling Norbe Six GmbH (as Insured)
Odebrecht Norbe VI GmbH (as Owner)

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Petroleo Brasileiro S.A as Third Party
Including the interests of the Bank of America as Mortgagee on behalf of itself and other Syndicate banks
ODN I:

ODN I GmbH as principal Assured and Owner

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A. as Third Party

Including the interests of HSBC Bank USA, National Association as Collateral Trustee and Mortgagee on behalf of itself and other Syndicate banks.

ODN II:
ODN I GmbH as principal Assured and Owner

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A. as Third Party

Period: From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.

Amount: Norbe VI – USD 63,213,840 (being USD 351,188 per day 60/180/180 basis)
ODN I - USD 66,250,800 (being USD 368,060 per day 60/180/180 basis)
ODN II – USD 66,250,800 (being USD 368,060 per day 60/180/180 basis)

Explanation of 60/180/180 day basis:
In the event of a partial loss casualty covered by the corresponding physical loss or damage policy the Loss of Hire policy is subject to a 60 days excess in respect of each casualty. In other words the asset must be in operable for at least 60 days before a claim can be submitted. Thereafter the Loss of Hire policy will pay daily indemnity amount for each day the asset is out of operation up to 180 days each accident. The second reference to 180 days clarifies that 180 days is the maximum amount payable in any one policy year irrespective of the number of casualties.

Conditions: London ABS Loss of Hire wording including War Risks etc. as per LPO 454 and amended to cover loss following Terrorist risks, Blocking and Trapping, Deprivation, Deliberate Damage.

Clauses 1 and 8 are amended from a 12 months to a 24 months basis in respect of repair time.
Insured amounts are covered on a fixed and agreed basis.
Coverage applies whether the unit is chartered, unchartered, operating, laid up or stacked.
The policy contains the proviso that the daily amounts can be automatically increased or decreased subject to retroactive advise to underwriters.

This section is further subject to all terms, clauses and conditions of the Hull and Machinery policy as far as applicable.

Insurers: 8.00% Lloyds Syndicate COF 1036 (S&P A+ rated)
2.90% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.90% Lloyds Syndicate AES 1225 (S&P A+ rated)

4.85% Markel International Insurance Co. Ltd. (Bests A rated)

5.00% ACE European Group (S&P AA- rated)

10.00% Gard Marine and Energy (S&P rated A+)

6.80% Axis Re Limited (S&P rated A+)

6.70% Lancashire Insurance UK Ltd. (S&P A- rated)

2.70% Torus Insurance (UK) Ltd. (Bests A- rated).

2.70% WR Berkley Insurance (Europe) Ltd (S&P A)

2.10% Arch Insurance Co (Europe) Ltd (S&P A+)

1.25% HCC Underwriting Agency (S&P AA rated)

4.50% Lloyds Syndicate AFB 2623/623 (S&P A+ rated)

4.60% Lloyds Syndicate CSL 1084 (S&P rated A+)

4.50% Lloyds Syndicate SJC 2003 (S&P rated A+)

4.50% Lloyds Syndicate WTK 457 (S&P A+ rated)

2.50% Lloyds Syndicate XL 1209 (S&P A+ rated

0.90% Lloyds Syndicate ASP 4711 (S&P rated A+)

2.70% Lloyds Syndicate AUW 609 (S&P rated A+)

0.90% Lloyds Syndicate ARK 4020 (S&P A+ rated)

4.50% Lloyds Syndicate CVS / TOR 1919 / 2243 (S&P rated A+)

11.00% AIG Europe Ltd (S&P A rated)

4.50% Swiss Re International SE (S&P AA- rated)

Protection and Indemnity Risks.

Coverage Overview:

A Protection and Indemnity policy provides protection for the owner against liabilities for which they are held liable arising following the usual operational risks for which an owner in this sector may become liable. These perils typically include pollution liabilities, crew liabilities and removal of wreck liabilities.
Protection and Indemnity Insurance will be arranged as a so called 'entry' into one of the international group of Protection and Indemnity Associations (' IGA' P&I Clubs). P&I Clubs insure in excess of 90% of the world's maritime and offshore sector against their liability risks.

Protection and Indemnity policy summary:

Assured/ Member:

Norbe VI :
Odebrecht Drilling Norbe Six (as Insured)
Odebrecht Norbe VI GmbH (as Owner)

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Petroleo Brasileiro S.A

ODN I:
ODN I GMBH

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A

ODN II:
ODN I GMBH

Additional Insureds:
Odebrecht Òleo e Gas S.A.
Odn I perfuracoes Ltda
Odebrecht Oil Services
ODN Holding Gmbh
Petroleo Brasileiro S.A

The Certificate of Entry also notes a number of additional companies as Co Assureds so as to protect them against any liability to which they may be exposed (provided cover under the policy coverage). These additional companies include various crewing contractors and Petrobras, the client of the primary Assured.

Period: From 20th February, 2013 GMT to Noon 20th February 2014 GMT and such further periods as may be required by the entered member unless notice is given by either the member or the Insurers in accordance with the Rules.

Limit: USD 300,000,000 in accordance with Association Rules including certain sub limits currently imposed by the association and shown herein.

Conditions: The assets are entered with The Assuranceforeningen Gard for Protection and Indemnity risks on a fixed premium basis in accordance with the Offshore P&I Rules of the Association and the Member's Terms of Entry.

The provisions for 'special War Risks Protection and Indemnity cover' is limited to USD150,000,000.

Cover includes a Chemical, Biological, Bio-chemical, Electromagnetic Weapons and Cyber Attack Exclusion Clause (a clause that is now being generally applied to all insurances). Following on from this the Clubs have decided that they should provide limited cover for these two risks through the Group's Pooling arrangement for certain war and terrorist risks for which there would otherwise be no cover.
The Clubs provide all members with cover in respect of 'bio-chem' risks to pay damages, compensation or expenses for the personal injury to, or illness or death of any seafarer and for the legal costs and expenses to avoid or minimise any other PandI liability arising from a 'bio-chem event'. The limit for this cover is USD10,000,000 that will apply to all interests for each asset in the aggregate.
Various deductibles apply in accordance with usual P&I Club practice which are of a sufficiently low amount so as not to affect the integrity of the collateral asset to the detriment of the Mortgagees.

Comprehensive General Liability Insurance

Within the Protection and Indemnity entry, Odebrecht have included a CGL (Comprehensive General Liability) section. This section is a recognised addition to an offshore Protection and Indemnity entry prudently bought by owners of marine offshore assets and provides certain additional liability protection typically excluded from a marine Protection and Indemnity entry but beneficial for an offshore specialist operation.
Coverage is for a separate and additional USD 25,000,000 each asset (USD 10,000,000 in respect of pollution claims) per event and in the aggregate in any one policy year. In the development of the CGL Offshore cover, Gard has provided a tailor made cover, which fits well with the corresponding P&I cover providing additional protection for the non core operations. Read in conjunction with the corresponding Protection and Indemnity policy, the insured assets are protected up to high industry standards.

SECURITY: The Assuranceforeningen Gard is a member of the International Group of Protection and Indemnity Associations (I.G.A.) and under Standard and Poor's assessment is currently rated at 'A+'.

APPENDIX 2

SCOPE OF WORK

In preparing this Report Opinion Aon BankAssure were asked to provide an independent opinion, based on our experiences as insurance advisers and Brokers, regarding the suitability and robustness of the proposed insurances.
Our remit is limited to insurances matters only and based on the insurances provided for review. This opinion is impartial and based solely on the insurance documents provided and industry experience.

APPENDIX 3

INFORMATION REVIEWED

The current insurance programme protecting the physical loss or damage insurances and the liability insurances protecting the operation of the collateral assets.

To the interested parties in the financing of ODN TAY IV

BankAssure
8 Devonshire Square
London EC2M 4PL
t 020 7623 5500
f 020 7621 1511

INSURANCE REPORT

Our ref B81302419
Date: 8th January, 2014.

The opinion contained in this interim insurance report (the "Report") has been drafted for the use of the initial arranger and any interested parties in the finance project and/or their Lawyers and/or their Agents and/or appointed Rating Agencies. In accordance with usual practise we would request that it is not released in whole or in part to any other party unless prior agreement is obtained from Aon BankAssure.

COLLATERAL ASSET: ODN TAY IV

1. GENERAL COMMENTS

- Reference is made within the Report to certain standard clauses; the clause number and date is shown in brackets, for example (LSW678) (12/97). Clauses of this type are internationally known and used within the shipping and insurance markets, providing basic coverage and are stress tested through legal systems on many occasions when claims or disputes occur. All clauses referenced in this way are known to the undersigned, provide acceptable levels of coverage and recommended by the Owners' Broker as suitable for purpose. As such, these standard clauses are not analysed in detail.

- A Protection and Indemnity policy, commonly known as P&I insurance, provides protection for the owner against liabilities for which they are held liable arising following the usual operational risks for which an owner in this sector may become liable. These perils typically include pollution liabilities, crew liabilities and removal of wreck liabilities. Coverage is usually provided by a P&I Club that provides cover for its members, typically be ship-owners, ship-operators or demise charterers, either on a mutual basis, where by each member could be required to pay supplementary premiums to meet the liabilities of the Club or on a fixed premium basis. Whilst this latter approach is slightly more expensive at the outset it does ensure the member is not liable for future additional costs in any policy year. In this instance Odebrecht Oil and Gas have prudently arranged their P&I insurance on a fixed basis (ie no supplementary calls will be charged).

- In each instance insurances are assessed to ensure that, in the opinion of the undersigned, they protect operational risks typically insured and insurable on similar assets in the same operational area and business sector.

- Certain industry standard exclusions and restrictions apply. These types of exclusions are mandatory and will appear in insurances arranged on other similar assets in this sector. These mandatory exclusions cannot be avoided or insured against and are recognised as uninsurable trading risks. These for example include the mandatory stipulation that no claim can be paid to an entity if payment would be in breach of international trade sanctions, e.g. to a sanctioned country.

- The insurances typically include one or more specified deductible ('excess'). This is also an industry wide practice and each deductible is assessed to verify it does not adversely affect the integrity of the collateral asset to the detriment of the financiers.

- Deductibles can vary from year dependant on the risk appetite of the Borrower and the aversion to risk of their chosen underwriter. In this instance Odebrecht Oil and Gas have arranged their insurances subject to a deductible which is at the lower end of the band typically considered normal for this type of asset at this time. Effectively therefore, this underscores their appetite to be risk adverse. Deductibles can vary from year to year and any changes will be monitored and commented on in future insurance opinions.

2. EXECUTIVE SUMMARY

1. The insurances on the ODN TAY IV (the "**Asset**") have been arranged in the international insurance market in accordance with good industry practise for a marine offshore asset of this nature. Aon BankAssure is of the opinion that the insurance programme is structured to appropriately protect the Asset.

2. The insurances arranged for the Asset require several policies to be combined to cover various operational risks. The combination of insurance policies is standard in the marine offshore sector. Aon BankAssure has reviewed the insurance programme for the Asset which comprises:
   - (i) **Physical Loss or Damage Insurances**, to protect the Asset from **marine risks** such as marine and hostile acts (e.g. perils of the sea/weather risks and war / terrorism risks). The Hull and Machinery, Increased Value and War Risks have been arranged in a combined policy with the Physical Loss or Damage Insurances; and
   - (ii) **Accelerated Costs of Replacement**, to provide further marine total loss protection, similar in essence to the Increased Value section as outlined in (i) above.
   - (iii) **Protection and Indemnity (P & I) Insurance** to protect the Asset from **third party risks** such liabilities for which the assured party may be held legally liable (e.g. pollution / crew / cargo / removal of wreck obligations).
   - (iv) **Loss of Hire / Earnings Insurance,** to provide a pre agreed daily indemnity amount in the event any insured asset is unable to work due a casualty insured on the corresponding physical loss or damage policy.

3. Insurances are typically arranged on an annual renewable basis in accordance with usual practice in the marine offshore sector. This is common and acceptable practice in the marine offshore sector and in particular for this transaction. If required, a further review of the Physical Loss or Damage Insurances will be carried out by the undersigned on behalf of the interested parties following the next renewal date (scheduled 24th May, 2014) and periodically thereafter following the renewal of Odebrecht Oil and Gas's fleet policy.

4. The **Protection and Indemnity** ("**P&I**") **Insurance** will expire on 20th February 2014 at Noon. The 20th February date is the common expiry date for assets insured for P&I risks and entered into the International Group Agreement of the P&I Clubs. Any periodic renewal of the Package policy will include a review of the corresponding P&I combined policy in place at that time. A separate review of each P&I policy is not necessary; P&I policies follow a standard and well publicized format and as such any changes in the scope of coverage is publicized in the industry press well in advance of each renewal allowing the undersigned to scrutinize changes well in advance. As such there is no need to review separately each P&I policy immediately following the P&I renew; these are typically included in the subsequent review provided for the combined P&I policy.

5. The insurance policies and insured amounts arranged for the Assets are summarized below:

Combined Insurance Policies	**Insured Amounts**
Physical Loss or Damage Insurances	**USD 672,600,000** including: • Hull and Machinery USD 458,080,000 • Increased Value: USD 114,520,000 • Accelerated Costs of Replacement: USD 100,000,000 • War Risks (Hull / Increased Value/Accelerated Costs of Replacement USD 672,600,000
P&I Insurance	**USD 300,000,000 each asset plus USD 25,000,000 Comprehensive General Liabilities.**
Loss of Hire / Earnings Insurance	USD 68,226,840

6. The panel of insurers follows a similar panel to the expiring year underscoring the Odebrecht business ethos of maintaining long term relationships with its business partners.

7. We have been provided with the agreed policy wording and policy endorsements. The policy wording is based on the London Market Mobile Unit Form, which is a standard format for marine offshore assets.

8. Bookrunners' normal requirement is that all insurers meet credit ratings of not less than A- from Standard & Poor's ("**S&P**") or equivalent rating from Moody's or Fitch. We have reviewed the underwriting security of the insurers and for guidance purposes only credit rating from S&P is shown. It is acknowledged that on many occasions an equivalent rating will be provided from another reputable credit rating agency, for example AM Best, who provides credit ratings the insurance industry.

9. It is also noted that the leading underwriter of the Physical Loss or Damage Insurances is Lloyds Syndicate COF 1036 (part of the QBE group), a recognised leading **underwriter** in the respective class of business. This is pertinent as the leading underwriter of each section has claims negotiating authority on behalf of all other participating underwriters for the relevant section of the policy on which the claim is submitted.

10. **Aon Ltd and Lloyd and Partners LLP.** Are appointed insurance brokers (the "**Brokers**") for the Assets and they will arrange the policies for physical loss and damage purposes. Aon Ltd and Lloyd and Partners are established International Insurance Brokers and recommended for approval. Odebrecht have arranged the P&I directly with Gard in accordance with common market practise.

3. COMBINED INSURANCES AND INSURED AMOUNTS

3.1 Physical Loss or Damage Insurances

The Asset is insured against **physical loss or damage** on the assets (e.g. marine and war) for a total of USD 672,600,000 being (i) the agreed insured value on the Hull and Machinery risk plus (ii) the Increased Value/Accelerated Cost of Replacement sums insured.

'Agreed Value' Explanation
The indemnity provided in an insurance policy can be on a market value, a reinstatement value or an agreed value basis. In the marine offshore insurance sector, policies are issued on agreed value. The value of a marine offshore asset comprises of both the physical value of the asset once built including all the equipment and machinery affixed to the asset and certain factors in the projected earning capabilities of the asset under any long term contracts /charters. The agreed value will be determined by the two professional entities (assured and insurers) in the insurance contract. Both the assured and the insurers will accept that the insured value of the asset is specified in the policy and that claims will be based on the agreed value in all normal circumstances.

Combined Insurance Arrangements
Physical Loss or Damage Insurances are arranged as part of a **combined policy**. A combined policy groups together a number of underwriters who are familiar with a diverse number of insurances (in this case offshore energy risks) and who are willing to insure the whole combined offered to them. This approach benefits both the assured and the insurers. This approach is more economical for the assured to obtain better premium costs. For insurers, it offers a diverse exposure, reducing the possibility of a catastrophe aggregation of losses. Combined policies are arranged with insurers familiar with the class of business utilising the services of an insurance broker recognised to specialise in the energy sector.

Piracy
The risks of piracy and the effect it has on shipowners is very much on the agenda at this time and there are differing opinions in the insurance sector whether piracy should be considered a marine peril or a 'war' peril. From the position of the financiers this is largely academic as long as coverage is in place. For ease of reference we can confirm at this time the risk is covered by way of the marine clauses. We would also comment that piracy coverage incidents are unheard of in the projected area of operation for these assets.

Flag State Requirements
Ship-owners must comply with the requirements of the Flag State. Failure to comply with the statutory requirements of the Flag State, or maintain the validity of any statutory certificates issued by or on behalf of the Flag State could impact negatively the insurance coverages provided.

Warranties
The physical loss or damage policy contains certain warranties, some are shown as 'Expressed' and others as 'Implied'. An implied warranty is that the venture is legal and that full disclosure of all material facts has been made to the Insurers and that an asset is seaworthy. Expressed warranties are those specifically endorsed on the policy concerning a particular circumstance. Non compliance with warranties in this sector can render a policy void even if the breach of the warranty had no affect on the cause of loss.

3.2 Protection and Indemnity Insurance

The Asset is insured against third party risk including pollution liabilities with a P&I insurance for an amount of **USD 325,000,000** each asset inclusive of the additional Comprehensive General Liability protection.

Comment on Amount Insured
Odebrecht Oil and Gas's corporate philosophy is to insure each asset in a fleet policy for P&I insurance. The P&I limits covered under Odebrecht Oil and Gas fleet policy for the operational stage are USD 300,000,000 per asset, which is commonly purchased P&I limit on offshore energy assets operational in this region and is recommended for acceptance.

Within the Protection and Indemnity entry, Odebrecht Oil and Gas have included a CGL (Comprehensive General Liability) section. This section is a recognised addition to an offshore Protection and Indemnity entry prudently bought by owners of marine offshore assets and provides certain additional liability protection typically excluded from a marine Protection and Indemnity entry but beneficial for an offshore specialist operation.
Coverage is for a separate and additional USD 25,000,000 each asset (USD 10,000,000 in respect of pollution claims) per event and in the aggregate in any one policy year.

It should be noted that this limit of USD 300,000,000 bears no relevance to the market value of the Asset and the P&I limits offered are based on a cost/potential exposure analysis. This proposed limit compares favourably to other operators in the sector, some of whom offer limits as low as USD 50,000,000 due to hold harmless agreements.

It should be noted that the limits of liability purchased on energy assets are typically lower than for navigating shipping tonnage. The exposure for stationary assets such as these Assets are assessed by insurers and other industry experts as lower and as such the limits offered are also lower.

Pollution Liabilities
Customary in the marine offshore sector, the licence holder of the well accepts liability for pollution caused by the oil produced from the well and typically holds harmless the contractor above certain limits of liability. The pollution risk is covered for a limit of USD 300,000,000 within the P&I limit. We understand that pursuant to the Charter Party Contract and the Services Agreement, Petrobras hold harmless and indemnify the contractor for any claims in excess of a pre agreed threshold as Petrobras will also have its own liability coverage. For sake of best protection, both contractor and the field operator will be named on the corresponding liability policy arranged by the other party. This cross naming is standard industry practice so as to best protect any active parties in the project.

Interest of Mortgagees / Loss Payable
The Mortgagee will be endorsed as the Assignee and Loss Payee on behalf of the financiers/Collateral Agent. This is the usual requirement when providing structured finance and allows the Assignee to take 'ownership' of the policy at any time, whilst ensuring they assume no obligation for outstanding premiums. It should be noted that the interest of the Mortgagee as assignee is primary to the interest of any other insured partner and physical loss or damage claims will be payable initially to the Mortgagee to enable the release of the debt. Third Party liability claims will be payable to the claimant in accordance with usual practice.

The combined policy has been reviewed to ensure the Mortgagees are correctly noted on the combined policy and the Notices of Assignment endorsed. This will ensure that claim proceeds greater than a pre agreed small claim threshold will be paid to financiers for distribution as appropriate.

Whilst the interest of the financiers will be noted on the P&I policy, they have little financial benefit from the coverage. By acknowledging their limited interest, it does oblige the P&I insurer to give certain separate contractual undertakings to the financiers. The primary benefit for the financiers in this practise is that the P&I Club will agree to give prior notice to the financiers in the event they intend to cancel the policy due to non payment of premium.

4. OPINION/CONCLUSION

It is the opinion of the undersigned that the insurance arrangements as evidenced by the documents reviewed are recommended for acceptance as they are in good order, in accordance with high industry practice and adequately protect the Assets against insurable risks arising from this type of operation.

Yours faithfully,
Aon BankAssure Insurance Services

Alec Morten
Director

APPENDIX 1

PROJECT RISKS AND REVIEW OF INSURANCE PROGRAMME

1. Hull and Machinery

Coverage Overview:

Hull and Machinery Insurance typically covers physical loss or damage to the insured asset arising from perils of the sea and other recognised perils. A policy deductible will be applied to partial loss or damage claims whereas claims following the total loss of the asset will not typically be subject to a policy deductible. Coverage will be arranged on a combination of internationally recognised clauses and certain clauses prepared specifically for this deal. This is usual practise. Any non standard clauses are scrutinised to ensure they do not adversely affect the coverage. Coverage has been reviewed to verify it is in line in terms of scope of cover, deductibles, conditions, warranties and the like with what we would expect to see arranged by a leading shipowner in this sector.

Hull and Machinery Policy Summary

Assured:	ODN TAY IV (as Owner) Additional Insureds: Odebrecht Oil Services Limited Odebrecht Òleo e Gas S.A. Odebrecht Tay IV Holding GmbH Petroleo Brasileiro S.A as Third Party Including the interests of the BNP Paribas S.A. as Administrative Agent, Security Trustee, and Mortgagee on behalf of itself and other Syndicate members. *
Period:	From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.
Value:	USD 458,080,000. This is an agreed value (see note below)
Deductibles:	USD 5,000,000 any one accident and/or occurrence. However, any claim recoverable in respect of a Total or Constructive Total Loss would be payable in full.
Conditions:	Subject to the terms and conditions based on the London Market Mobile Unit Form LSW 678 (12/97) including: General Average, Salvage and Salvage Charges for an additional limit of 25% of the Total Insured Value, and Sue and Labour Expenses for an additional limit of 25% of the total insured value, but not exceeding a combined loss limit of 125% of the Total Insured Value in all. Coverage excludes liabilities in respect of removal of wreck, wreckage and debris and collision *(which liabilities are covered within the Protection and Indemnity entry).*

**As at the time of the change of the proposed finance arrangements a notice of reassignment will be executed by BNP allowing the policy to be assigned to the benefit of the bond holders.*

Coverage includes some minor works coverage as specified in the policy but not exceeding a value of USD 25,000,000.

Coverage includes physical loss or damage to miscellaneous equipment to a limit of USD 15,000,000.

The policy includes current mandatory / industry standard clauses including the following:

Institute Radioactive Contamination, Chemical, Biological, Bio-chemical and Electromagnetic Weapons Exclusion Clause (CL.370) (10.11.03).
Chemical and Electromagnetic Weapons Exclusion Clause CL 380.
US Economic and Trade Sanctions Clause.
Sanction Limitation and Exclusion Clause.
Premium Payment Clause LSW 3000.

Certain further additional clauses are included in keeping with common practise, including:

Excluding loss or damage to the drill stem and in hole equipment unless directly resulting from specifically named perils.

Trading is permitted to include waters of Brazil, but also Abu Dhabi and/or South Korea and/or delivery transit if required (subject to details of completion of sea trials and acceptance by the yard.

Excluding losses arising from Named Windstorms in the Gulf of Mexico *(this is a common exclusion imposed by certain insurers so as to best manage their Gulf of Mexico windstorm exposure and is imposed even if the insured asset has no intention of operating in the Gulf of Mexico).*

Shifts in excess of 1000 nautical miles are covered in accordance with the Mobile Unit Shift Addendum LSW 498. *This clause specifies the basis on which shifts of the unit can be undertaken.*

The clause warrants inter alia that:

- shifts must be agreed in advance by reputable shift surveyors GL Noble Denton.
- shifts must be agreed in advance
- all recommendations of the surveyor must be complied with.

Insurance is specified as subject to the laws of the State of New York, USA and the exclusive jurisdiction of the UK courts.

Premium is payable on a quarterly deferred basis (payable 1st August, 24th October, 24th January and 24th April) and a usual Brokers Cancellation Clause applies in the event of non-payment of premium. *(To clarify, the Broker is obliged to always act in the best interests of the Assured. This could leave the Broker in the uneviable position of not being allowed to cancel the policy even if no premium was paid. To counteract this anomaly, so called Brokers Cancellation Clauses evolved. These form part of the contract and overrule the Brokers 'best interests' obligation, thereby allowing the Broker to instigation cancellation should be premium not be paid by giving the Assured formal notice of the intention to cancel. Notwithstanding this clause, by way of the Letter of Undertaking as described above, the Broker cannot cancel the policy without giving prior direct notice to the financiers and an opportunity to rectify the situation (as explained above).*

INSURERS:

8.00% Lloyds Syndicate COF 1036 (S&P A+ rated)

1.90% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.90% Lloyds Syndicate AES 1225 (S&P A+ rated)

4.85% Markel International Insurance Co. Ltd. (Bests A rated)

5.00% ACE European Group (S&P AA- rated)

10.00% Gard Marine and Energy (S&P rated A+)

6.80% Axis Re Limited (S&P rated A+)

6.70% Lancashire Insurance UK Ltd. (S&P A- rated)

2.70% Torus Insurance (UK) Ltd. (Bests A- rated).

2.70% WR Berkley Insurance (Europe) Ltd (S&P A)

2.10% Arch Insurance Co (Europe) Ltd (S&P A+)

1.25% HCC Underwriting Agency (S&P AA rated)

4.50% Lloyds Syndicate AFB 2623/623 (S&P A+ rated)

4.60% Lloyds Syndicate CSL 1084 (S&P rated A+)

4.50% Lloyds Syndicate SJC 2003 (S&P rated A+)

4.50% Lloyds Syndicate WTK 457 (S&P A+ rated)

2.50% Lloyds Syndicate XL 1209 (S&P A+ rated

0.90% Lloyds Syndicate ASP 4711 (S&P rated A+)

2.70% Lloyds Syndicate AUW 609 (S&P rated A+)

0.90% Lloyds Syndicate ARK 4020 (S&P A+ rated)

4.50% Lloyds Syndicate CVS / TOR 1919 / 2243 (S&P rated A+)

11.00% AIG Europe Ltd (S&P A rated)

4.50% Swiss Re International SE (S&P AA- rated)

2. Increased Value / Disbursements (Marine risks)

Coverage Overview:

Increased Value insurance is an industry method by which an assured can reduce his premium expenditure. Increased Value insurance is placed in conjunction with the Hull and Machinery policy and should be read in conjunction with the Hull and Machinery policy. An increased value policy responds following settlement of the Hull and Machinery policy only in the event of a total loss on the underlying marine Hull and Machinery policy and then will respond for the stated sum insured. The combination of settlement by the Hull and Machinery and Increased Value policies provides coverage for the full insurable value of the asset. In view an Increased Value policy does not contribute to certain partial loss incidents, the premium charged is proportionately lower. As such Hull and Machinery insurers typically restrict the amount that can be insured on this Increased Value basis so that it is not disproportionate to the underlying Hull and Machinery policy thereby generally inadequate amounts of premium for the partial loss exposure or causing for example a total loss threshold to be achieved at inappropriately low amount. As with the Hull and Machinery policy, coverage has been reviewed so as to verify it is in line with what we would expect to see arranged by a leading owner in this sector.

Increased Value /Disbursements Policy Summary

Assured: ODN TAY IV (as Owner)

Additional Insureds:
Odebrecht Oil Services Limited
Odebrecht Òleo e Gas S.A.
Odebrecht Tay IV Holding GmbH
Petroleo Brasileiro S.A as Third Party
Including the interests of the BNP Paribas S.A. as Administrative Agent, Security Trustee, and Mortgagee on behalf of itself and other Syndicate members.*

Period: From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.

Amount: Increased Value / Disbursements
USD 114,520,000

Conditions:

Subject to the Institute Time Clauses - Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) (CL. 290) (1.10.83).

Certain additional clauses and mandatory exclusions and warranties are included from the Hull and Machinery policy as far as applicable.

**As at the time of the change of the proposed finance arrangements a notice of reassignment will be executed by BNP allowing the policy to be assigned to the benefit of the bond holders.*

Insurers:

8.00% Lloyds Syndicate COF 1036 (S&P A+ rated)

2.90% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.90% Lloyds Syndicate AES 1225 (S&P A+ rated)

4.85% Markel International Insurance Co. Ltd. (Bests A rated)

5.0% ACE European Group (S&P AA- rated)

10.00%Gard Marine and Energy (S&P rated A+)

6.80% Axis Re Limited (S&P rated A+)

6.70% Lancashire Insurance UK Ltd. (S&P A- rated)

2.70% Torus Insurance (UK) Ltd. (Bests A- rated).

2.70% WR Berkley Insurance (Europe) Ltd (S&P A)

2.10% Arch Insurance Co (Europe) Ltd (S&P A+)

1.25% HCC Underwriting Agency (S&P AA rated)

4.50% Lloyds Syndicate AFB 2623/623 (S&P A+ rated)

4.60% Lloyds Syndicate CSL 1084 (S&P rated A+)

4.50% Lloyds Syndicate SJC 2003 (S&P rated A+)

4.50% Lloyds Syndicate WTK 457 (S&P A+ rated)

2.50% Lloyds Syndicate XL 1209 (S&P A+ rated

0.90% Lloyds Syndicate ASP 4711 (S&P rated A+)

2.70% Lloyds Syndicate AUW 609 (S&P rated A+)

0.90% Lloyds Syndicate ARK 4020 (S&P A+ rated)

4.50% Lloyds Syndicate CVS / TOR 1919 / 2243 (S&P rated A+)

11.00% AIG Europe Ltd (S&P A rated)

4.50% Swiss Re International SE (S&P AA- rated)

3. Accelerated Costs of Replacement (Marine risks)

Coverage Overview:

*Similar in essence to an Increased Value policy, Accelerated Costs of Replacement ('**ACR**') insurance is an industry method by which an assured can reduce his premium expenditure. ACR insurance is placed in conjunction with the Hull and Machinery policy and should be read in conjunction with the Hull and Machinery policy and the corresponding Increased Value policy. An ACR policy responds following settlement of the Hull and Machinery policy only in the event of a total loss on the underlying marine Hull and Machinery policy and then will respond for the stated sum insured. The combination of settlement by the Hull and Machinery, Increased Value and Accelerated Costs of Replacement policies provides coverage for the full insurable value of the asset plus projected costs that will be incurred in replacing the asset. In view an ACR policy does not contribute to certain partial loss incidents, the premium charged is proportionately lower. As such Hull and Machinery insurers typically restrict the amount that can be insured on this Increased Value basis so that it is not disproportionate to the underlying Hull and Machinery policy thereby generally inadequate amounts of premium for the partial loss exposure or causing for example a total loss threshold to be achieved at inappropriately low amount. As with the Hull and Machinery policy, coverage has been reviewed so as to verify it is in line with what we would expect to see arranged by a leading owner in this sector.*

Accelerated Costs of Replacement Policy Summary

Assured:	ODN TAY IV (as Owner) Additional Insureds: Odebrecht Oil Services Limited Odebrecht Òleo e Gas S.A. Odebrecht Tay IV Holding GmbH Petroleo Brasileiro S.A as Third Party Including the interests of the BNP Paribas S.A. as Administrative Agent, Security Trustee, and Mortgagee on behalf of itself and other Syndicate members.*
Period:	From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.
Amount:	USD 100,000,000 each asset
Conditions:	Subject to the Institute Time Clauses - Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) (CL. 290) (1.10.83). *Certain additional clauses and mandatory exclusions and warranties are included from the Hull and Machinery policy as far as applicable.*

**As at the time of the change of the proposed finance arrangements a notice of reassignment will be executed by BNP allowing the policy to be assigned to the benefit of the bond holders.*

Insurers:

30.00% Lancashire Insurance UK Ltd (S & P A- rated)

30.00% Ace European Group (S&P AA- rated)

6.00% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.970% WR Berkley Insurance (Europe) (S&P A rated)

6.58% Lloyds Syndicate ASP 4711 (S&P rated A+)

6.58% Lloyds Syndicate TAL 1183 (S&P rated A+)

4.93% Lloyds Syndicate AUW 609 (S&P rated A+)

3.30% Lloyds Syndicate SJC 2003 (S&P rated A+)

1.64% Lloyds Syndicate AES 1225 (S&P rated A+)

9.00% AIG Europe Ltd (S&P A)

4. War Risks, Hull and Machinery/Increased Value/ Accelerated Costs of Replacement.

Coverage Overview:

A war and allied perils policy will protect the assured against loss or damage to the asset caused by hostile acts specified in the policy wording and excluded from the corresponding marine policies. The war policy will still include certain mandatory cancellation provisions, for example cancellation is automatic in the event of a nuclear war in between any of the so called major nuclear powers. A policy such as this will also contain a 7 days cancellation clause allowing the insurers to give notice of cancellation at any time should the risk deteriorate and the insurers wish to re rate the risk or withdraw their support entirely in the event of catastrophic deterioration in the stability of the region in which the asset is operating. Again, this is a mandatory clause which cannot be removed.

War Risks Policy Summary:

Assured: ODN TAY IV (as Owner)

Additional Insureds:
Odebrecht Oil Services Limited
Odebrecht Òleo e Gas S.A.
Odebrecht Tay IV Holding GmbH
Petroleo Brasileiro S.A as Third Party
Including the interests of the BNP Paribas S.A. as Administrative Agent, Security Trustee, and Mortgagee on behalf of itself and other Syndicate members.*

Period: From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.

**As at the time of the change of the proposed finance arrangements a notice of reassignment will be executed by BNP allowing the policy to be assigned to the benefit of the bond holders.*

Amount: USD 672,600,000 (total Hull and Machinery/Increased Value/ Accelerated Cost of Replacement).

Conditions War, Strikes, Riots, Civil Commotions, Malicious Damage, Confiscation and Expropriation Risks as Institute War and Strikes Clauses – Hulls - Time (1.10.83) (CL.281).

Offshore Sabotage and Terrorism are covered as per Addendum No 42B subject to 48 hours notice of cancellation at any time. Onshore Sabotage and Terrorism is excluded absolutely.

War Protection and Indemnity is covered for a separate limit up to the total sum insured (Hull plus IV plus Accelerated Cost of Replacement) of each asset.

Trading on a world-wide basis is allowed subject to the limitation and exclusions imposed by the current War Risks Trading Warranties Exclusions which defines those areas to which trading is excluded or held covered at an additional premium to be agreed by Insurers. Again this is all in accordance with common market practice and the policy notes that the asset is operational off of Brazil.

Certain standard and mandatory clauses as contained in the Hull and Machinery policy are also included herein.

The policy contains a mandatory 7 day cancellation provision by which the insurer or the insured can cancel the insurance at any time.

The policy contains a mandatory War Automatic Termination of Cover Clause which operates in the event of any hostile detonation of a nuclear weapon of war, or outbreak of war in between any of the five great powers.

Insurers:

8.00% Lloyds Syndicate COF 1036 (S&P A+ rated)

2.90% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.90% Lloyds Syndicate AES 1225 (S&P A+ rated)

4.85% Markel International Insurance Co. Ltd. (Bests A rated)

5.00% ACE European Group (S&P AA- rated)

10.00% Gard Marine and Energy (S&P rated A+)

6.80% Axis Re Limited (S&P rated A+)

6.70% Lancashire Insurance UK Ltd. (S&P A- rated)

2.70% Torus Insurance (UK) Ltd. (Bests A- rated).

2.70% WR Berkley Insurance (Europe) Ltd (S&P A)

2.10% Arch Insurance Co (Europe) Ltd (S&P A+)

1.25% HCC Underwriting Agency (S&P AA rated)

4.50% Lloyds Syndicate AFB 2623/623 (S&P A+ rated)

4.60% Lloyds Syndicate CSL 1084 (S&P rated A+)

4.50% Lloyds Syndicate SJC 2003 (S&P rated A+)

4.50% Lloyds Syndicate WTK 457 (S&P A+ rated)

2.50% Lloyds Syndicate XL 1209 (S&P A+ rated

0.90% Lloyds Syndicate ASP 4711 (S&P rated A+)

2.70% Lloyds Syndicate AUW 609 (S&P rated A+)

0.90% Lloyds Syndicate ARK 4020 (S&P A+ rated)

4.50% Lloyds Syndicate CVS / TOR 1919 / 2243 (S&P rated A+)

11.00% AIG Europe Ltd (S&P A rated)

4.50% Swiss Re International SE (S&P AA- rated)

4. Loss of Hire / Earnings Insurance

Coverage Overview:

A Loss of Hire/Earnings policy will protect the assured against loss of revenue amounts suffered from a partial loss insured under the physical loss or damage policies. The Loss of Hire/ Earnings policy will then respond for a pre determined amount for the period in which the asset is not working up to a pre determined maximum period. A Loss of Hire policy will not respond following the total loss of the asset. In this eventuality a policy such as the accelerated Cost of Replacement will provide a lump sum payment which replaces the need for the Loss of Hire policy to respond. A Loss of Hire / Earnings policy, whilst quite common, is not mandatory or typically purchased in this sector. The purchase of a policy of this type protects the revenue stream of the assured and underscores the pro active approach by this borrower in best protecting the assets.

Loss of Hire / Earnings Insurance Policy Summary

Assured: ODN TAY IV (as Owner)

Additional Insureds:
Odebrecht Oil Services Limited
Odebrecht Òleo e Gas S.A.
Odebrecht Tay IV Holding GmbH
Petroleo Brasileiro S.A as Third Party
Including the interests of the BNP Paribas S.A. as Administrative Agent, Security Trustee, and Mortgagee on behalf of itself and other Syndicate members.*

Period: From 24th May, 2013 and to expire 24th May, 2014 both days 12.01 am Local Standard Time at the address of the Assured.

**As at the time of the change of the proposed finance arrangements a notice of reassignment will be executed by BNP allowing the policy to be assigned to the benefit of the bond holders.*

Amount: USD 68,226,840 (being USD 379,038 per day 60/180/180 basis)

Explanation of 60/180/180 day basis:
In the event of a partial loss casualty covered by the corresponding physical loss or damage policy the Loss of Hire policy is subject to a 60 days excess in respect of each casualty. In other words the asset must be in operable for at least 60 days before a claim can be submitted. Thereafter the Loss of Hire policy will pay daily indemnity amount for each day the asset is out of operation up to 180 days each accident. The second reference to 180 days clarifies that 180 days is the maximum amount payable in any one policy year irrespective of the number of casualties.

Conditions: London ABS Loss of Hire wording including War Risks etc. as per LPO 454 and amended to cover loss following Terrorist risks, Blocking and Trapping, Deprivation, Deliberate Damage.

Clauses 1 and 8 are amended from a 12 months to a 24 months basis in respect of repair time.
Insured amounts are covered on a fixed and agreed basis.
Coverage applies whether the unit is chartered, unchartered, operating, laid up or stacked.
The policy contains the proviso that the daily amounts can be automatically increased or decreased subject to retroactive advise to underwriters.
This section is further subject to all terms, clauses and conditions of the Hull and Machinery policy as far as applicable.

Insurers: 8.00% Lloyds Syndicate COF 1036 (S&P A+ rated)
2.90% Lloyds Syndicate KLN 510 (S&P A+ rated)

1.90% Lloyds Syndicate AES 1225 (S&P A+ rated)

4.85% Markel International Insurance Co. Ltd. (Bests A rated)

5.00% ACE European Group (S&P AA- rated)

10.00% Gard Marine and Energy (S&P rated A+)

6.80% Axis Re Limited (S&P rated A+)

6.70% Lancashire Insurance UK Ltd. (S&P A- rated)

2.70% Torus Insurance (UK) Ltd. (Bests A- rated).

2.70% WR Berkley Insurance (Europe) Ltd (S&P A)

2.10% Arch Insurance Co (Europe) Ltd (S&P A+)

1.25% HCC Underwriting Agency (S&P AA rated)

4.50% Lloyds Syndicate AFB 2623/623 (S&P A+ rated)

4.60% Lloyds Syndicate CSL 1084 (S&P rated A+)

4.50% Lloyds Syndicate SJC 2003 (S&P rated A+)

4.50% Lloyds Syndicate WTK 457 (S&P A+ rated)

2.50% Lloyds Syndicate XL 1209 (S&P A+ rated

0.90% Lloyds Syndicate ASP 4711 (S&P rated A+)

2.70% Lloyds Syndicate AUW 609 (S&P rated A+)

0.90% Lloyds Syndicate ARK 4020 (S&P A+ rated)

4.50% Lloyds Syndicate CVS / TOR 1919 / 2243 (S&P rated A+)

11.00% AIG Europe Ltd (S&P A rated)

4.50% Swiss Re International SE (S&P AA- rated)

Protection and Indemnity Risks.

Coverage Overview:

A Protection and Indemnity policy provides protection for the owner against liabilities for which they are held liable arising following the usual operational risks for which an owner in this sector may become liable. These perils typically include pollution liabilities, crew liabilities and removal of wreck liabilities.
Protection and Indemnity Insurance will be arranged as a so called 'entry' into one of the international group of Protection and Indemnity Associations (' IGA' P&I Clubs). P&I Clubs insure in excess of 90% of the world's maritime and offshore sector against their liability risks.

Protection and Indemnity policy summary:

Assured/ Member: ODN TAY IV Gmbh (as Owner)

Additional Insureds:
Odebrecht Oil Services Limited
Odebrecht Òleo e Gas S.A.
Stena Drilling Limited and affiliates
Stena Tay (Hungary) KFT and affiliates.
The interests of the BNP Paribas S.A. as Collateral Trustee, and Mortgagee on behalf of itself and other Syndicate members.*

The Certificate of Entry also notes a number of additional companies as Co Assureds so as to protect them against any liability to which they may be exposed (provided cover under the policy coverage). These additional companies include and Petrobras, the client of the primary Assured.

Period: From 20th February, 2013 GMT to Noon 20th February 2014 GMT and such further periods as may be required by the entered member unless notice is given by either the member or the Insurers in accordance with the Rules.

**As at the time of the change of the proposed finance arrangements a notice of reassignment will be executed by BNP allowing the interest of the bond holders to be endorsed onto the Protection and Indemnity Certificate of Entry in the usual manner.*

Limit: USD 300,000,000 in accordance with Association Rules including certain sub limits currently imposed by the association and shown herein.

Conditions: The assets are entered with The Assuranceforeningen Gard for Protection and Indemnity risks on a fixed premium basis in accordance with the Offshore P&I Rules of the Association and the Member's Terms of Entry.

The provisions for 'special War Risks Protection and Indemnity cover' is limited to USD150,000,000.

Cover includes a Chemical, Biological, Bio-chemical, Electromagnetic Weapons and Cyber Attack Exclusion Clause (a clause that is now being generally applied to all insurances). Following on from this the Clubs have decided that they should provide limited cover for these two risks through the Group's Pooling arrangement for certain war and terrorist risks for which there would otherwise be no cover.
The Clubs provide all members with cover in respect of 'bio-chem' risks to pay damages, compensation or expenses for the personal injury to, or illness or death of any seafarer and for the legal costs and expenses to avoid or minimise any other PandI liability arising from a 'bio-chem event'. The limit for this cover is USD10,000,000 that will apply to all interests for each asset in the aggregate.
Various deductibles apply in accordance with usual P&I Club practice which are of a sufficiently low amount so as not to affect the integrity of the collateral asset to the detriment of the Mortgagees.

Comprehensive General Liability Insurance

Within the Protection and Indemnity entry, Odebrecht have included a CGL (Comprehensive General Liability) section. This section is a recognised addition to an offshore Protection and Indemnity entry prudently bought by owners of marine offshore assets and provides certain additional liability protection typically excluded from a marine Protection and Indemnity entry but beneficial for an offshore specialist operation.
Coverage is for a separate and additional USD 25,000,000 each asset (USD 10,000,000 in respect of pollution claims) per event and in the aggregate in any one policy year. In the development of the CGL Offshore cover, Gard has provided a tailor made cover, which fits well with the corresponding P&I cover providing additional protection for the non core operations. Read in conjunction with the corresponding Protection and Indemnity policy, the insured assets are protected up to high industry standards.

SECURITY: The Assuranceforeningen Gard is a member of the International Group of Protection and Indemnity Associations (I.G.A.) and under Standard and Poor's assessment is currently rated at 'A+'.

APPENDIX 2

SCOPE OF WORK

In preparing this Report Opinion Aon BankAssure were asked to provide an independent opinion, based on our experiences as insurance advisers and Brokers, regarding the suitability and robustness of the proposed insurances.
Our remit is limited to insurances matters only and based on the insurances provided for review. This opinion is impartial and based solely on the insurance documents provided and industry experience.

APPENDIX 3

INFORMATION REVIEWED

The current insurance programme protecting the physical loss or damage insurances and the liability insurances protecting the operation of the collateral assets.

Appendix C

Independent Engineer Reports

OKEANOS BV

DUE DILIGENCE REFINANCE

ODN I, ODN II AND NORBE VI

APRIL 2013

Okeanos bv
Berg en Dalweg 26
7361 TS Beekbergen
The Netherlands

T: +31 553 560 667
F: +31 553 560 668
M: +31 653 277 223
E: Info@okeanos-bv.nl

0. REVISION RECORD

Revision	Date	Description
0	April 12th, 2013	Initial Issue
1	April 15th, 2013	Approved Release
2	April 18th, 2013	Includes further OOG input
3	May 17th, 2013	Includes further OOG input

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Author: Otto van Voorst (OvV)

Revision	Reason for Issue			
3	**Approved Release**			
Company	Originator	Checked	Approved	Date
Okeanos bv	OvV			20 May 2013

1. INTRODUCTION

Odebrecht Oil & Gas (OOG) of Rio de Janeiro Brazil is currently working in a refinancing transaction of three assets of the OOG fleet, ODN I, ODN II and Norbe VI. Accordingly, OOG will need to provide to the Lenders a technical opinion regarding these assets.

In an attachment to an e-mail dated March 21st OOG mandated Okeanos to prepare the technical opinion on these assets.

ODN I & II are almost identical 6th generation DP 3 drill ships built at Daewoo Korea (DSME) and delivered in 2012. Both drill ships were formally accepted by Petrobras in September 2012 (ODN I) and August 2012 (ODN II) are now operating successfully for Petrobras in Brazil.

Norbe VI is a 5th generation DP 3 semi-submersible drilling unit, built in Abu Dhabi in 2009. It was formally accepted by Petrobras in July 2011 and has also been operating for Petrobras since delivery.

2. SCOPE OF WORK OKEANOS

The detailed scope for the activities of Okeanos, the Technical Advisor mandated by OOG, has been agreed to be as follows:

- Provide opinion regarding the compatibility of the assets' specifications with all major ultra-deep-water regions (namely Brazil, GoM and West-Africa);
- Review of expected average ("base case") uptime for each of the assets;
- Provide opinion on current status of each of the assets, and provide the parameters which may be affecting the uptime during the last 12 months and when to expect a full recovery of the base case uptime;
- Assessment on expected useful life of the unit, and projected major maintenance costs, downtime and ramp up after each maintenance period;
- Further to previous oil spill in the GoM, to provide comments on operation/safety procedures and requirements in Brazil compared to GoM, as well as potential impacts on regulations;
- To confirm suitability of the vessel specification for alternative operators and the scope and potential cost of modifications that may be required to broaden the remarketing appeal of the vessels;
- To provide an opinion on the OpEx costs as established by the Owner and used on the base case model, and what to expect in the future in terms of price escalation.
- To review if a labour bottleneck is expected in the offshore employment market in Brazil.

3. SPECIFICATIONS ODN I, ODN II AND NORBE VI

The technical specifications for ODN I and ODN II are identical as both vessels were ordered as sister ships from the builders' yard, DSME in Korea. All three units hold current and valid Certificates of Class, issued by the Det Norske Veritas (DNV) for ODN I & II and American Bureau of Shipping (ABS) for Norbe VI. These are included in Appendix 1.

ODN I & II	
Rig type	6th Generation MODU Drillship
Maximum Operating water depth	3,000m – 9,000ft
Maximum drilling depth below seabed	10,000m – 30,000ft
Flag	Bahamas
Year Built	2011
Builder	Daewoo Shipbuilding and Marine Engineering Co Ltd, Based at Okpo, South Korea
Design	DSME 10,000
Class	DNV, DP3
Class Notations	✠1A1, Ship Shaped Drilling Unit, DRILL, DYNPOS AUTRO, E0, BIS
Length	238m – 780ft
Breadth	42m – 137 ft
Main working deck	230 x 42m
Operating Draft	12m – 39ft
Transit draft	8.5m – 28ft
Operating Displacement	102,000mt
Variable Deck load	22,050mt
Derrick	Aker 907mt
Top drive (DDM)	Aker 907mt x 1125 hp
Draw works	Aker 4500hp
BOP	Hydril 15,000psi
BOP Rams	6 x 15,000psi
BOP Annular	2 x 10,000psi
Risers	Vetco Gray 21"OD, 133 x 75ft = 9,975ft
Riser buoyancy	Ultra light foam
Riser tensioners	Aker 8 x 200kips
Main Engines	6 x STX diesels
Main Generators	6 x Siemens @ 6,750kW
Thrusters	6 x Wartsila Lips @ 5,500kW
DP System	Kongsberg, Class 3 with 4 x consoles and 4 x control stations
Max Persons on Board	180 PoB
Lifeboats	6 x 60 PoB
Max Potable water	8,830bbl ≈1,404m^3
Max Fuel	59,232bbl ≈9,418m^3
Deck cranes	Liebherr; 2 x 85t and 2 x 80t
Helideck	Sikorsky S-92 and S-61
CCTV	32 cameras and 16 monitors

NORBE VI	
Rig type	5th Generation MODU Drilling Semi-Submersible
Maximum Operating water depth	2,400m – 7,500ft
Maximum drilling depth below seabed	7,500m – 22,500ft
Flag	Panama
Year Built	2010
Builder	SBM and Noel Imac in GPC Facility in Abu Dhabi
Design	GUSTO TDS 2000plus
Class	ABS, DP2
Class Notations	✠ A1, Column Stabilized Drilling Unit, ✠ AMS, ✠ DPS-2, CRC
Length	70.7m – 232ft
Breadth	73.15m – 240ft
Operating Draft	18.3m – 55ft
Transit draft	7.5m – 22.5ft
Survival Draft	13.7m – 45ft
Operating Displacement	29,885mt
Variable Deck load	7,000mt
Derrick	NOV 2,000,000lbs = 907mt
Top drive (DDM)	NOV
Draw works	NOV 6,000hp
BOP	Hy373dril 18.75”; 15,000psi
BOP Rams	5 x 15,000psi
BOP Annular	2 x 10,000psi
Risers	Dril Quip 21”OD, 100 x 75ft = 7,500ft
Riser buoyancy	Ultra light foam
Riser tensioners	NOV 8 x 250kips
Main Engines	8 x MD diesels
Main Generators	8 x Baylor @ 3,950kW
Thrusters	8 x Wartsila Lips
DP System	Kongsberg, Class 3 DPC-32 with 3 x consoles and 3 x control stations
Max Persons on Board	140 PoB
Lifeboats	4 x 70 PoB
Max Fuel	20,434bbl ≈3,249 m^3
Deck cranes	Patriot; 2 x 70t
Helideck	Sikorsky S-92 and S-61

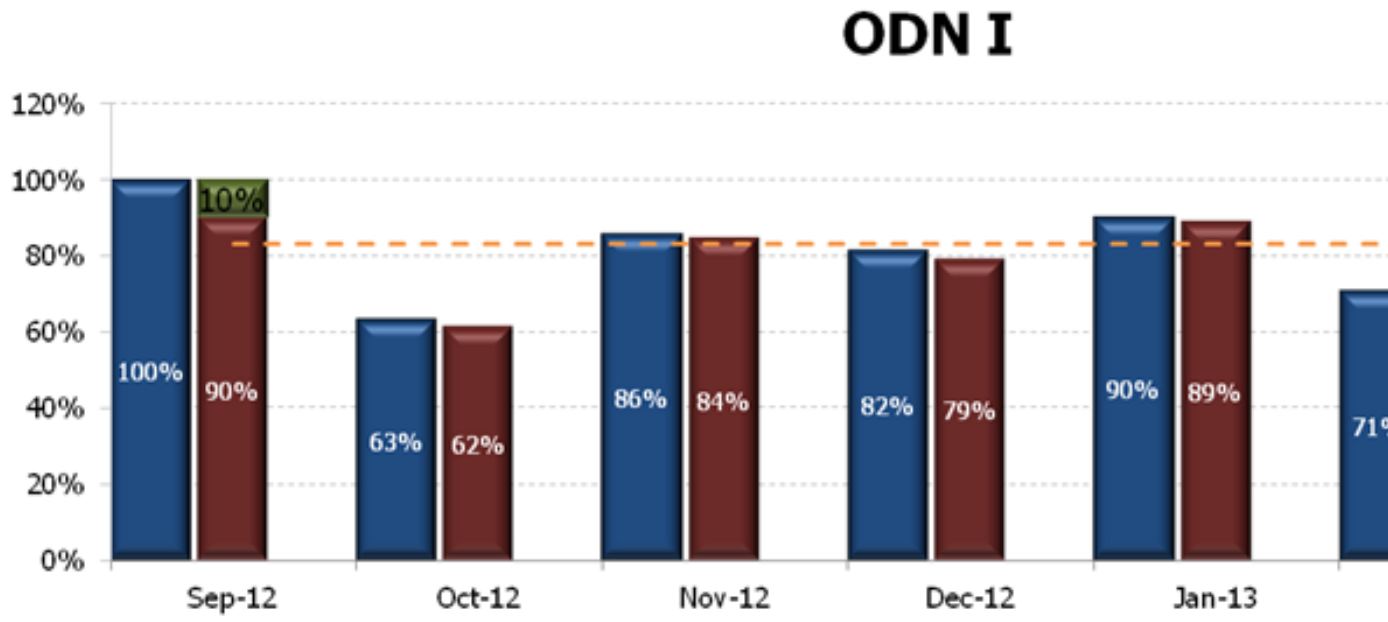
All three units can be considered to be state of the art units in their Class. Within the range of the capacities identified above, these units can work any where in the offshore world where there are no artic requirements. A minimum water depth (about 100m) is required at the working location. Subject to local requirements (e.g. Union or local regulations) these units could be deployed in all known Oil & Gas Industry arenas, with the exception of the North Slope in Alaska and the Barents Sea north of Norway.

Modification of the unit(s) to attain Ice Class are high (>US$10m). Modifications to the units to meet certain coastal state regulations vary between a few hundred thousand dollars (e.g. language change on name plates) to many million US$ when e.g. Norwegian standard accommodation would be required with single berth cabins.

4. PERFORMANCE

The following performance and downtime incidents have been recorded to date:

ODN I



The average uptime for ODN I including all incidents has been 83%. If the non-recurri
the average uptime would have been 96%

- **ODN I Down time incidents**

  - **Top Drive – October 9th 2012**
    On October 9th, 2012, at 13:00 PM, while the drillers were picking up the DDM fr
    observed by the floor man that the service loop was hung up under the hose bur
    was stretched and wires were broken. It was observed later that due to the form
    straight instead of tapered allowed the DDM hoses to go under the bar while trip
    event.

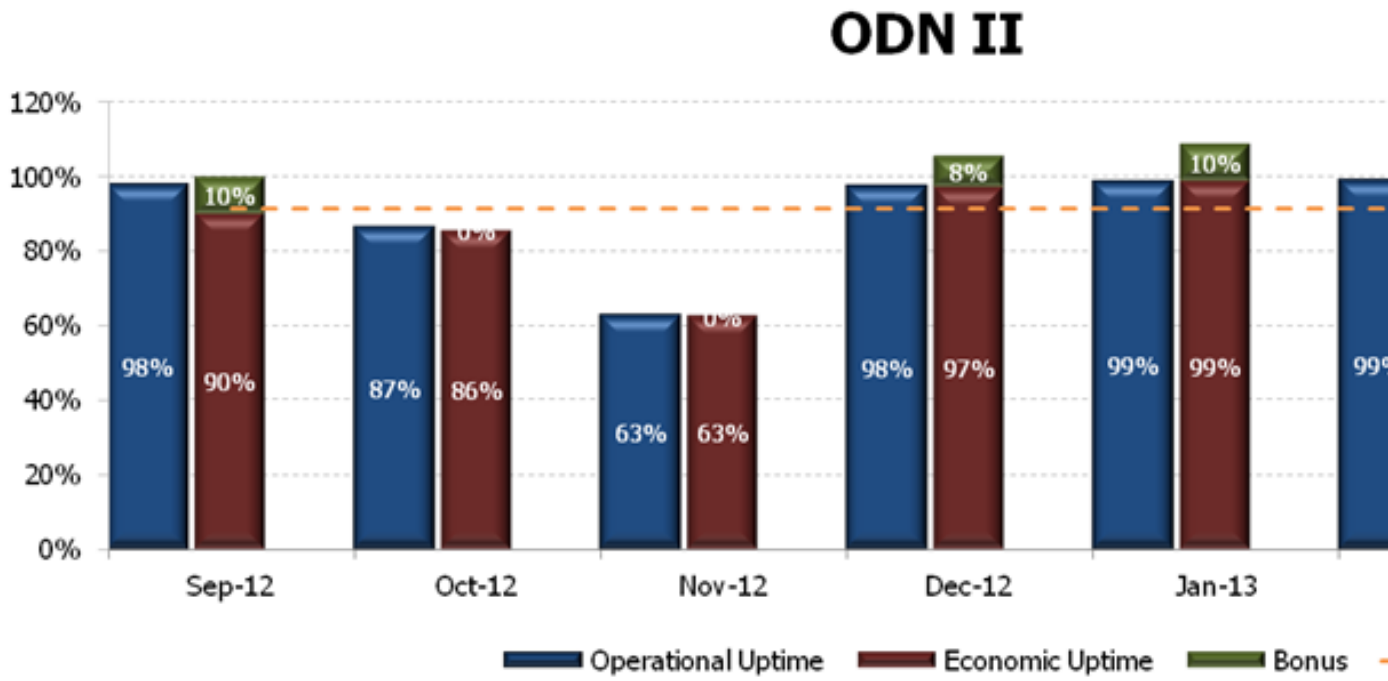
  - **Failure of the Acoustic Hot Stab– October 22nd to 26th, 2012**
    Around 01:00 on October 22nd, a problem on yellow POD wellhead connector reg
    attempted to increase the pressure on the regulator, which was around 1100 psi
    pressure dropped to 0 psi and thus it was not possible to increase or decrease th
    connector regulator anymore. When pulling the BOP at the 4th joint from surface
    ground fault on yellow and blue POD. When the BOP was on the moon pool, furth
    by removing the Y cable from the RTU and that cleared the ground fault on blue
    removing the Y cable below the yellow POD and the yellow pod cleared as well. A
    checked, all connections were reinstated and torque/pressure tested. The secon
    connector regulator, the pre charge accumulator bottle on wellhead regulator wa
    the other accumulator bottles. OOG removed and repaired yellow POD wellhead
    overhauling the regulator we installed and tested several times.

On the 24th of October, after running four joints the 15 Volts ground fault on bot
was decided to pull BOP back to surface. ET's and GE field support worked on ide
ground fault, they removed Y-Cable and megged cable, and checked for damage
On the 25th of October 2012 the PBOF cable between diamond plate and J5 on E/
the yellow POD and the PBOF cable connection was found to be loose. It was the
DC-200 from the PBOF cable and seawater was found inside of cable.
After cleaning and inspecting the cables for damage and refilling with fresh DC-2
back in place and pressure testing was successfully performed on both connectio
Running of the BOP commenced around 8:30 pm that evening.

- **Planned shutdown**

ODN I is currently undergoing a technical stop for a period of 45 days, which has
expected to finish on May 25th, 2013. The stop will correct a manufacturing defe
main cylinder and in the oil/air accumulator of the passive compensator system
Mounted Compensator).
The manufacturer (Aker) is already engaged in the problem and will be responsil
arising. Warranty process will occur via DSME. Petrobras is aware of the problem
days as per the contract. The residual days of shut down will impact overall upti

ODN II



The average uptime for ODN II including all incidents has been 91%. If the non-recurr
the average uptime would have been 96%

- **ODN II Down time incidents**

  - **Connector design issue– October 10th to 14th**

  During the BOP tests a connection issue occurred in the connector design of the
  caused problem during the reconnection. The incident was resolved with assistar

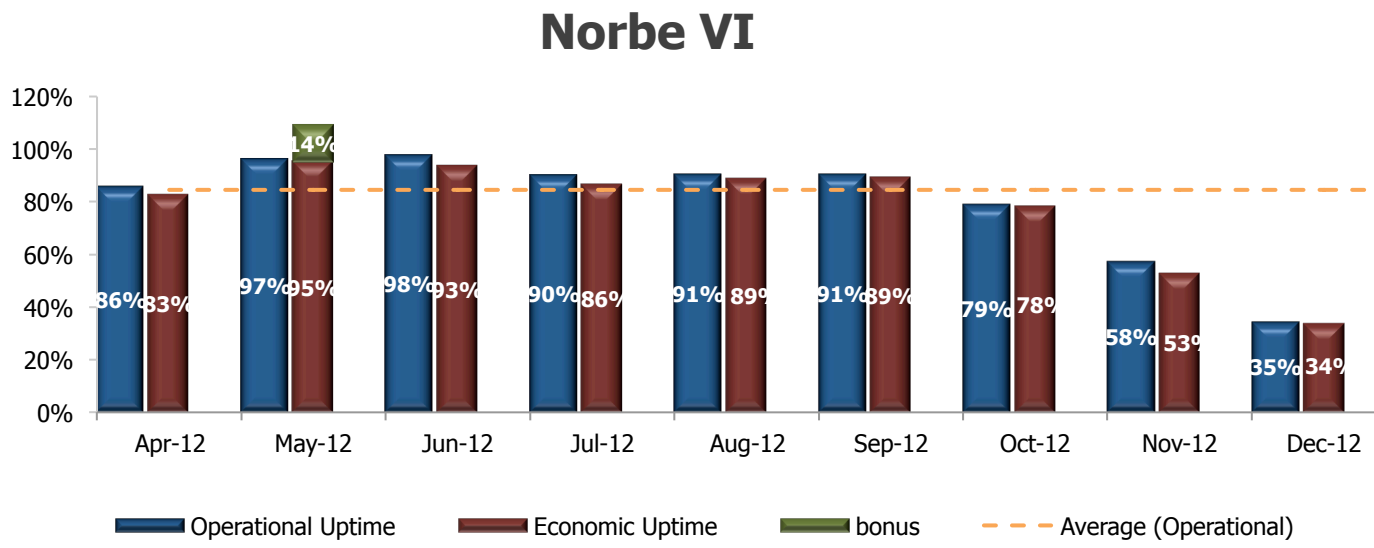
- **CMC Malfunction– October 26nd to 28th**

Change of the drill selected for the unit because of malfunction of the compensat
with Petrobras

- **Fishing Event – October 30th to November 8th**

The drilling column unscrewed due to the string being stuck, the hour's downtim
Petrobras.

NORBE VI



The average uptime for Norbe VI including all incidents has been 85% in the last 12 m
incidents are excluded the average uptime would have been 92%.

Norbe VI Down Time incidents

- **BOP dropped – December 4th 2011 to March 2012**

  On December 2nd, 2011 around 23:00 hrs. an audible alarm from the drill
  The alarm was found to be a low temperature alarm on the yellow solenoid
  person in charge was called to address the alarm. The ACK (acknowledge)
  was observed that the alarm had been recognised by the CCU (Central Cor

was made. The alarm persisted and it was noted that the lower screen in t
the functions that were running on the top screen were not copied to the s
To address the audible alarm, which had not been suppressed, the person
driller's panel in the driller's doghouse. At this moment the driller reported
that he could not pressurize the choke line. When pressure testing the rise
circulating lines. On the screen it was observed that all the fail-safe valves
one had operated the panel. It was also noted that, when looking at the pa
recoil alarm was activated and the EDS (Emergency Disconnect Sequence)
When the driller was requested to lift the riser string to check the weight o
recorded the weight of the riser string with the LMRP, confirming that the E
had fallen to the seabed. The bop was recovered and the unit moved to Sa
repairs on the BOP. Petrobras paid 35 days of docking allowance and OOG
indemnity from the insurance companies of 56 days.

- **Black out recovery System – November 13th to 17th, 2012**

The problem was detected during the tests on the Blackout Recovery Syste
work as expected as only the thrusters #04 became available after the bla
had problems with the sequence to start the steering pumps and were not
the logic of Kongsberg Power Management System. This systemic problem
with contractual and Class requirements. Because of that, Petrobras and O
any operations with Norbe VI, which caused unavailability resulting in dow
OOG mobilized its Field Support team and Kongsberg to the rig and, after s
troubleshooting on the system, the error in the logic was identified and the
to permit that the sequence of the auxiliary system start occurs in the corr
became available. After this modification, another test was done and the sy
The rig was then allowed to return the operations.

- **Top Drive Dolly Repair – November 14th to 21st, 2012**

The rig had been performing jarring operations (operations where the drill
spring assembly releases high energy impacts in hole, which are transmitte
fishing the BHA (Bottom Hole Assembly which was accidentally unscrewed
equipment failure) in the months of August and September 2012. Such ope
failures due to the severe shock loads. During the post-jarring inspection,
maintenance task performed at the first operational opportunity after such
been performed, several structural cracks were found on the top drive fram
steel structure used to connect the top drive assembly to the retractable do
dolly system is a retractable hydraulically operated assembly that provides
the top drive and the derrick structure, using specific tracks named dolly tr

NOV, the supplier was contacted and NOV advised that there was an officia
repair the cracks, which allows the rig to work. NOV crew and OOG Field Su
to perform the repairs on the equipment, which was done according to the
After the repairs were done, NOV issued a final report giving the approval f
to operations.

- **BOP Fail Safe Valves - November 28th to December 8th, 2012**

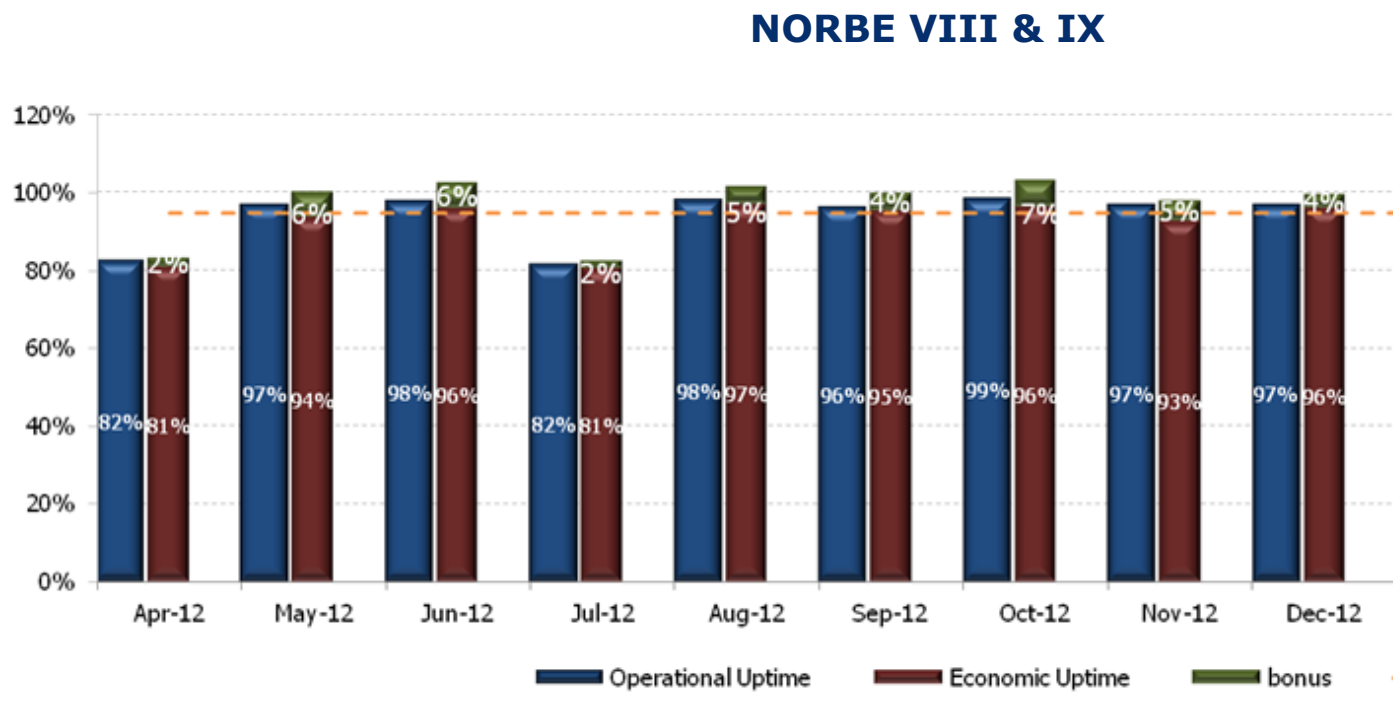
As standard practice, between wells OOG have performed maintenance & i
associated equipment. All tests performed on surface were a satisfactory. E
replicated on the bottom, OOG detected the LIC was leaking on low pressu
surface. It was decided then to pull the stack and repair the valve. The sta
opened the valve and torn seals were identified. OOG replaced all sealing e
and performed full pressure test. Tests were all good, the stack was lowere
were getting ready to perform subsea tests.

- **Divert Packer Failure – December 7th to 18th, 2012**

During pressure tests on the diverter after connecting to the well, the diver
test against a 5-½" Drill Pipe. The tests were performed with 15" ID Insert
Packer (standard set up) was damaged. The rig did not have a spare packe

After discussions with the Field Support team, it was decided to repair the
packer with plastic product that had already been used in this type of equip
was performed by the field support team and approved by Petrobras. At th
department and Field Support Team started to look for new parts to be acq
was done as per procedure and the test was done again but the equipment
After the second failure it was decided to send the Main Packer and the Ins
company specialized in rubber material) to perform the repair of the rubbe
parts was found in final production phase in USA. These were acquired and
December 17th. The replacement Packers were installed and the operation
of December.

OOG Remainder of Fleet Up Time History



In conclusion the uptime of Norbe VI, ODN I & II is slightly below what can
teething problems have been resolved. This can be considered normal 'lear
anticipated that these three units and the remainder of the OOG fleet will b
of over 95% in 2013 and the years thereafter.
As the units were designed for an operational life of 25 years or more the u
long as economically feasible, as dictated by the Offshore Oil & Gas Industr

5. MAINTENANCE

Maintenance on all three units is management by a computer maintenance management system where all the data of maintenance requirements of all equipment, machinery and systems are collated in the computer system and centrally managed on board with a direct link to the operations office onshore.

The software-based system provides complete Asset management to achieve the control required to more efficiently track and manage all maintenance and Class requirements on the unit throughout the lifecycle. It includes maintenance work management, which manages both planned and unplanned maintenance activities, from initial requirement/request through completion and recording of actuals. Also included are inventory management ensuring that the required spares for performing a certain scheduled maintenance task are available on board in a timely fashion and procurement management covering direct purchasing and spares/inventory replenishment. Class requirements are incorporated in the system ensuring that these are attended to on a timely basis.

The software provides an overview of all tasks required in a defined period of time and ranks these with priorities. The priorities used in the OOG system are High, Medium and Low.

When reviewing a typical daily print out the following critical outstanding activities are identified:

	Criticality	
	High	Medium
ODN I	6	110
ODN II	6	29
Norbe VI	10	84

The maintenance activity items listed with high criticality are issues such as:

- awaiting replacement part/repair of failed part;
- awaiting shutdown of system before repair can be performed;
- awaiting instructions from manufacturer
- etc.

None of the high criticality items are related to lack of on-board resources.

For the medium priority items most are scheduled to be completed/commenced with the next few days although on some items the same cause as for the high criticality items applies.

In all cases the outstanding maintenance issues dies not affect the daily operational capabilities of the units.

OOG has planed dry docking periods as per Class requirements after 5 years from delivery, as follows:

- Norbe VI – July 2016 – 10 days
- ODN I – July 2017 – 10 days
- ODN II – Sept 2017 - 10 days

The above dry-docking period is included in the base case model as downtime, however the Petrobras contracts include an allowance of 5 days per year for dry docking receiving waiting rate, which should be more than adequate for the anticipated dry docking duration. In case of Norbe VI the dry dock allowance have already being used, accordingly, the waiting rate is being considered only for ODN I and ODN II, during the dry dock period. Any remaining allowance days can potentially be offset against other downtime.

Norbe VI has however already consumed the 35 days of renumerated dry-docking due to earlier incidents. Potentially remunerated dry-docking days could be brought forward from the renewed contract, once awarded. This however is some two years out of phase with the physical dry-docking dates (after 5 years) and contract renewal date (after 7 years).

In the near future Norbe VI, ODN I and ODN II are to be equipped with a Managed Pressured Drilling System, which allows an adaptive drilling process used to more precisely control the annular pressure profile throughout the wellbore. With this method, the pressure of the well is monitored and controlled by "flow injectors" allowing drilling where there is loss of mud. As this work is requested by Petrobras any downtime will be compensated under the normal operating rates. Similarly down time caused by this equipment once operational will be compensated by Petrobras.

The main objectives of this equipment are to ascertain the down hole pressure environment limits and to manage the annular hydraulic pressure profile accordingly. In that sense, the MPD service can dramatically decrease non-productive time and reduce drilling days to improve economics in applications where wellbore mechanics prevent use of conventional techniques. The total CapEx to be disbursed in MPD equipment is around USD 17 MM (to be covered by Odebrecht Oil & Gas.
This equipment will be first installed on Norbe VI and between engineering, tests and installation it should take 1.4 months in total. The installation process itself does not require dry-dock and can be

installed when the rig is moving from one well to the other. This equipment increases the likelihood of contract renewal since this important equipment for drilling in the pre-salt layers.

6. OPEX

The company's current target operating expenses are US$ 145,000 per day per vessel. At this level OOG believes it's feasible and safe to operate the vessels. The target cost will be evaluated after a year's operations and then adjusted for actual costs and corrections.

The most significant part is the cost of labour pay roll, representing 49% of the total costs. Although labour it is a very representative item of the OpEx, Odebrecht Oil & Gas believes that the high demand for very qualified professional represented a stressed situation a couple of years ago but currently and for the years to come it is expected to face a stabilized scenario.

Other representative items are repair and maintenance representing 15% of the total OpEx. Repair and maintenance cost can vary due to the possible need to incur CapEx caused by corrective maintenance on the equipment in the initial period of operations, however, this is a non-recurring expense in the long run.

The other items are: insurance, training, catering and crew change (expatriate and national) representing together 21% of the OpEx. These items are not expected to vary significantly in the near future.

The other expenses (15%) cover the following:

- Fuel & diesel,
- Vessel Registration & Inspections
- Technical fees, Intercompany Charges (Field Support),
- Waste Disposal,
- QHSE,
- Communications,
- Computer Supplies & Software,
- Office Supplies, Accounting & Legal Fees,
- General Taxes & Licenses,
- Miscellaneous.

Foreign Exchange risk and inflation is considered to be minimal due to the project compensation for OpEx taking in consideration the Brazilian inflation for the Real's component of the OpEx as well as the US CPI index for the US$ component.

Opex Breakdown	USD K/day	%
Labor Payroll	70,9	49%
Repairs & Maintenance	21,2	15%
Insurance	10,9	7%
Training	7,5	5%
Catering	6,7	5%
Crew Change (Expat & National)	5,6	4%
Other Expenses	22,2	15%
Total	**145,0**	**100%**

Okeanos consider the OpEx values provided by OOG realistic in the current market and conforming to industry averages.

7. OKEANOS EARLIER REVIEWS

In 2010 Okeanos performed the initial review of the drillships ODN I & II when these ships were under construction. The relevant salient conclusions of this report are as follows:

- The drill ships are designed and (will be) built to an internationally accepted high standard.

- The ships will be re-deployable in similar marine environments for other clients, subject to the requirement for deep-water drill ships continuing to develop at a similar pace as in the years between 2004 and 2009.

- The Petrobras contract has a bonus arrangement related to availability of the complete drillship and also a poor performance fine related to specific drilling operations. The maximum bonus is 10% and, on average it should prove to be possible to earn an increase in the daily rate of 1 to 6%, once the drillship and crew are tuned to optimum performance.

In November 2010 Okeanos performed the acceptance review of Norbe VI, which had then been delivered by the yard and concluded as follows:

- Norbe VI complies with the Specifications as defined in the Petrobras contract, complies with the requirements of the SBM Contract and is otherwise in a condition suitable for acceptance;

- Adequate measures, arrangements and procedures have been introduced by the Norbe VI Owners for the maintenance and operation of Norbe VI in accordance with good industry standards and in accordance with the obligations under the relevant Charter, Bareboat Charter and Services Agreement;

- All applicable requirements of the International Regulatory Authorities (including, without limitation, the Classification Society) in connection with Norbe VI and/or the Project have been satisfied. The national Authorities in Brazil will perform the inspections and confirm acceptance after arrival in Brazil.

- The Petrobras contract has a bonus arrangement related to availability of the complete drill unit and also a poor performance fine related to specific drilling operations. The maximum bonus is 15% and, on average it should prove to be possible to earn an increase in the daily rate of 1 to 6%, once

the rig and crew are tuned to optimum performance.

Both above reports can be made available on request.

8. GULF OF MEXICO INCIDENT

The incident with the Macondo well in the Gulf of Mexico in 2010 resulted in a thorough review of the legislative requirements in Brazil specifically related to the Environmental Legislation in Brazil before and after Macondo incident. The basic legislation applicable to offshore Oil & Gas developments is covered by: -

- Oil Law Nº 9.478, of 06/08/97 - This Law establishes the Brazilian Oil Agency (ANP) to oversee the Facilities for drilling and production of oil and natural gas and to establish the technical and design requirements to be met by the operators of concessions regarding Operational Security.

- ANP Resolution Nº 43 - Technical Regulation for Operational Safety Management System: Drilling and Production Facilities of Oil and Natural Gas (RGSO). This role has three important documents, called Operational Safety Documentation (OSD).
  - Correlation Matrix (MC)
  - Description of the Maritime Unit (DUM)
  - Report of Lessee Information (DIC)

- Federal Law Nº 9966 of 28/04/2000 - Contingency Plans

- Area Plan or Plan for Mutual Aid
  - Decree 4.871/2003
  - Plan Area for Bahia de Guanabara - PA / BG

- Individual Emergency Plan
  - CONAMA 398/2008

After the Macondo incident in April 2010 the following requirements were stipulated: -

- Individual Emergency Plan
  - Technical Note No. 02/2012 - CGPEG / DILIC / IBAMA - Individual Emergency Plan
  - Oil Spill Response Plan
  - New guidelines to be included at the minimum requirements for the Oil Spill Response Plan development, regarding the environmental licensing, dictating that:
    - All Oil Spill Recovery Vessel must have Dynamic Positioning;
    - The workboats only can be used for a short period, and the company must have a vessel to replace it after a while;
    - The effective storage tanks that can be used for oily water;

  - Mandatory Oil monitoring systems.
  - All the skimmer must have thrusters.
  - Minimum of 2 reels of 200m of Offshore boom for each skimmer used

- Oil Spill Response Plan
  Technical Note No. 02/2013 - CGPEG / DILIC / IBAMA
  Single table of information for Oil Spill Response Plans (PEI and PEVO).

- Guidelines for submission of the Single Table with summarized information about the Oil Spill Response Plan (PEI and PEVO) of drilling rigs and production platforms, regarding the environmental licensing of maritime enterprises of exploration and production of oil and natural gas.

- ANP
  - The ANP did not change the law, but the analysis of documentation became more rigorous.

- National Contingency Plan for Oil Spill (PNC)
  - Under Development.

The changes in legislation after the Macondo incident did not have a direct effect on drilling units. Most of the changes focus on oil spills response procedures, vessels and equipment.

Since the Macondo incident Petrobras has required sufficient redundancy on any new units entering the Brazilian market. ODN I & II and Norbe VI fully comply with the more stringent Petrobras requirements.

9. LABOUR MARKET BRAZIL

The recent inflation in the Brazilian labour market occurred in the years 2011 and 2012 and is explained due to the fact that several drilling rigs simultaneously started operating in Brazil for Petrobras which, combined with increasing crew turnover, led to a higher demand for drilling professionals during a short period of time.

According to the Odebrecht perspective both issues are now under control and, even with a growing demand for crew for deep-water drilling rigs in Brazil (and globally), OOG has the advantage of personally knowing experienced key professionals in this market as OOG have operated offshore rigs from 1979 to 1999. Okeanos concur with this point of view.

To date OOG has not incurred serious problems when recruiting new crew for the drilling rigs, even during pressing times (for ODN Tay IV the recruiting process was successfully concluded within 6 months). In addition to its experience in the drilling market, OOG has a strong culture that values each individual employee and favours internal growth, incentivising the development through training programs and growth opportunities. Furthermore an aggressive profit sharing program reduces personnel turnovers.

The OOG labour costs escalation is now under control and the OOG labour costs are lower when compared to its peers operating in the Brazilian market.

When the next group of new build drilling units become operational (the 'Sete' units) there will be sufficient time for recruiting and training of new crew on the existing rigs.

10. CONCLUSIONS

- ODN I, ODN II and Norbe VI are fully in Class as confirmed by DNV/ABS and can be considered to be state of the art units in their class. Within the range of the capacities identified above, these units are Class approved to work any where in the offshore world where there are no artic requirements.

- A minimum water depth (about 100m) is required at the working location. Subject to local requirements (e.g. Union or local regulations) these units could be deployed in all known Oil & Gas Industry arenas, with the exception of the North Slope in Alaska and the Barents Sea north of Norway.

- Modification of the unit(s) to attain Ice Class are high (>US$10m). Modifications to the units to meet certain coastal state regulations vary between a few hundred thousand dollars (e.g. language change on name plates) to many million US$ when e.g. Norwegian standard accommodation would be required with single berth cabins.

- The uptime of Norbe VI, ODN I & II currently is slightly below what can be achieved once the teething problems have been resolved. This can be considered normal 'learning curve' practice and it is anticipated that these three units (and the remainder of the OOG fleet) will be attain an average uptime of over 95% in 2013 and the years thereafter.

- As the units were designed for an operational life of 25 years or more the units can be deployed as long as economically feasible, as dictated by the Offshore Oil & Gas Industry market.

- The OpEx seems realistic and compliant with current market environment.

- The changes in legislation after the Macondo incident did not have a direct effect on drilling units. Most of the changes focus on oil spills response procedures, vessels and equipment.

- To date OOG has not incurred serious problems when recruiting new crew for the drilling rigs, even during pressing times on the Brazilian labour market.

- OOG has a strong culture that values each individual employee and favours internal growth, incentivizing the

development through training programs and growth opportunities. A profit sharing program reduces personnel turnovers.

- The OOG labour costs escalation is now under control and the OOG labour costs are lower when compared to its peers operating in the Brazilian market.

APPENDIX 1: CERTIFICATES

DET NORSKE VERITAS

DNV Id No: 30748
Date of issue: 2012-04-24

CERTIFICATE OF INTERIM CLASS

Issued under the provisions of the Rules of Det Norske Veritas

Particulars of Unit

Name of Unit::	**"ODN 1"**
IMO number:	**9588524**
Builder:	**Daewoo Shipbuilding & Marine Engineering Co., Ltd.**
Yard No:	**H3609**
Owner:	**ODN I GmbH**
DNV Id No.:	**30748**

THIS IS TO CERTIFY
that the above-mentioned unit has been surveyed by the undersigned according to the Rules of Det Norske Veritas and that, upon completion of the survey on the **2012-04-24**, the undersigned is of the opinion that the hull, machinery and equipment are in compliance with the applicable Rule requirements of the DNV Offshore Service Specifications for the following class notation:

✠ 1A1 Ship-Shaped Drilling Unit, DRILL, DYNPOS AUTRO, E0, BIS

By authority, the above interim class is assigned in accordance with my reports[1] and I will forward my recommendation to the Society accordingly.

Important assumptions and instructions related to handling of this vessel are given in the "Appendix to Classification Certificate".

This Certificate is valid until **2013-07-24** provided the requirements for the retention of class in the Rules will be complied with, and unless the class has been suspended or withdrawn, or until the administration of the Society has decided on the assignment of class.

Issued at **Koje, Rep. of Korea** on **2012-04-24**

for **Det Norske Veritas AS**

Kim, Kyong Ho
Surveyor

IMPORTANT!
The unit's class will be automatically suspended if the renewal survey is not completed or under completion before the expiry date of the Classification Certificate, unless the survey has been accepted postponed prior to the Certificate's expiry date. Furthermore, the ship's class will also be automatically suspended if the annual/intermediate surveys, required for retention of this Certificate, are not carried out within 3 months after the anniversary date of the Classification Certificate.

[1] Conditions of Class issued, see page 2.

	CONDITIONS OF CLASS ISSUED:	DUE DATE:	POSTPONED UNTIL:
	Please see attached Survey Report regarding issued conditions		

Issued at **Koje, Rep. of Korea** on **2012-04-24**

for **Det Norske Veritas AS**

Kim, Kyong Ho
Surveyor

DET NORSKE VERITAS

CLASSIFICATION CERTIFICATE

Issued under the provisions of the Rules of Det Norske Veritas

Particulars of Unit

Name of Unit:	**"ODN II"**
IMO Number:	**9588706**
Builder:	**Daewoo Shipbuilding & Marine Engineering Co., Ltd.**
Yard No.:	**3610**
Owner:	**Odn I GmbH**
DNV Id. No.:	**30832**

THIS IS TO CERTIFY
that the above-mentioned unit has been surveyed by Det Norske Veritas according to the Society's Rules and that, upon completion of the survey on the **2012-06-06** the administration of the Society is satisfied that the condition of the hull, machinery and equipment was in compliance with the applicable Rule requirements of the DNV Offshore Service Specifications for the following class notation:

✠ 1A1 Ship-shaped Drilling Unit E0 DYNPOS-AUTRO BIS

Important assumptions and conditions related to maintenance and handling of the unit are found in the unit's Appendix to the Classification Certificate. Current status of surveys and conditions of class is given in the Class status issued by the Society.

This Certificate is valid until **2017-06-06** provided the requirements for the retention of class in the Rules will be complied with and unless the class has been suspended or withdrawn.

Det Norske Veritas AS, **Rio de Janeiro, Brazil** Date: **2012-11-16**

Tommy Bjørnsen
Director of Operations

IMPORTANT!
The unit's class will be automatically suspended if the renewal survey is not completed or under completion before the expiry date of the Classification Certificate, unless the survey has been accepted postponed prior to the Certificate's expiry date. Furthermore, the ship's class will also be automatically suspended if the annual/intermediate surveys, required for retention of this Certificate, are not carried out within 3 months after the anniversary date of the Classification Certificate.

SUPPLEMENT TO THE CLASSIFICATION CERTIFICATE

Endorsement for annual and intermediate surveys

THIS IS TO CERTIFY:
that, at a survey required by Det Norske Veritas' Rules, the unit was found to comply with the relevant requirements of the Rules.

Annual survey: Place: ..... Date: .....

Signature: .....

Stamp Surveyor, Det Norske Veritas AS

Annual / Intermediate [1] survey: Place: ..... Date: .....

Signature: .....

Stamp Surveyor, Det Norske Veritas AS

Annual / Intermediate [1] survey: Place: ..... Date: .....

Signature: .....

Stamp Surveyor, Det Norske Veritas AS

Annual survey: Place: ..... Date: .....

Signature: .....

Stamp Surveyor, Det Norske Veritas AS

Endorsement for advancement of anniversary date

In accordance with Det Norske Veritas' Rules, the new anniversary date is. .....

Place: ..... Date: .....

Signature: .....

Stamp Surveyor, Det Norske Veritas AS

Endorsement to extend the validity of the Certificate until reaching the port of survey

This Certificate shall, in accordance with Det Norske Veritas' Rules, be accepted as valid until. .....

Place: ..... Date: .....

Signature: .....

Stamp Surveyor, Det Norske Veritas AS

Endorsement where the renewal survey has been completed

THIS IS TO CERTIFY that, at a survey required by Det Norske Veritas' Rules, the unit was found to comply with the relevant requirements of the Rules.
This Certificate shall be accepted valid until. .....

Place: ..... Date: .....

Signature: .....

Stamp Surveyor, Det Norske Veritas AS

[1] Delete as appropriate.

Certificate No.: 10181168-2174452-001

AMERICAN BUREAU OF SHIPPING

CHARTERED
1862

NUMBER
10181168

CERTIFICATE OF CLASSIFICATION

NORBE VI

Description COLUMN STABILIZED DRILLING UNIT

Dimensions, Length 320 feet *Breadth* 230 feet *Depth* 85 feet

Tonnage, Gross 15627 *Net* 4688

Owner ODEBRECHT DRILLING NORBE SIX GMBH

Shipbuilder GULF PIPING CO.

Engine Builder GENERAL MOTORS CORP.

Date of Build 17 November 2010 *Hull Number* 1340

This is to Certify that the above has been surveyed in accordance with the Rules of this Bureau and entered in the Record with the Class

✠A1, Column Stabilized Drilling Unit, ✠AMS, ✠DPS-2

AMERICAN BUREAU OF SHIPPING ORIGINAL CERTIFICATE

10 July 2012
Issue Date

16 November 2015
Expiration Date

Chief Surveyor

M. C. Adams
Assistant Secretary

NOTE: This certificate evidences compliance ... udes, standards or other criteria of American Bureau of Shipping and is issued solely for the u... ttees, its clients or other authorized entities. The classification certificate is a representation only that ... em of material, equipment or machinery or any other item covered by this certificate has met one or more of the Rules of American Bureau of Shipping. ***The certificate is governed by the terms and conditions on the reverse side hereof****, and governed by the Rules and standards of American Bureau of Shipping who shall remain the sole judge thereof.*

TERMS AND CONDITIONS

1. The issuance and interpretation of the class certificate is subject to the terms and conditions of the "Request for Classification and Agreement" (hereinafter "the Agreement") which are hereby incorporated by reference.

2. REPRESENTATIONS AS TO CLASSIFICATION

Classification is a representation by ABS as to the structural and mechanical fitness for a particular use or service in accordance with its Rules and standards. The Rules of American Bureau of Shipping are not meant as a substitute for the independent judgment of professional designers, naval architects and marine engineers nor as a substitute for the quality control procedures of shipbuilders, engine builders, steel makers suppliers, manufacturers and sellers of marine vessels, materials, machinery or equipment. ABS being a technical society can only act through Surveyors or others who are believed by it to be skilled and competent.

ABS represents solely to the vessel Owner or other client (hereinafter "Client") of ABS that when assigning class it will use due diligence in the development of Rules, Guides and standards and in using normally applied testing standards, procedures and techniques as called for by the Rules, Guides, standards or other criteria of ABS for the purpose of assigning and maintaining class. ABS further represents to the Client of ABS that its certificates and reports evidence compliance only with one or more of the Rules, Guides, standards or other criteria of ABS in accordance with the terms of such certificate or report. Under no circumstances whatsoever are these representations to be deemed to relate to any third party.

3. RESPONSIBILITY AND LIABILITY

It is understood and agreed that the class certificate (hereinafter referred to as "certificate") issued as part of the services rendered under the Agreement is a representation only that the vessel, structure, item of material, equipment or machinery or any other item covered by a certificate has met one or more of the Rules or standards of American Bureau of Shipping and is issued solely for the use of ABS, its committees, clients or other authorized entities. The validity, applicability and interpretation of a certificate issued under the terms of or in contemplation of the Agreement is governed by the Rules and standards of American Bureau of Shipping who shall remain the sole judge thereof. Nothing contained in this certificate or in any report issued in contemplation of this certificate shall be deemed to relieve any designer, builder, owner, manufacturer, seller, supplier, repairer, operator or other entity of any warranty express or implied nor to create any interest, right, claim or benefit in any third party. It is understood and agreed that nothing expressed herein is intended or shall be construed to give any person, firm or corporation, other than the parties hereto, any right, remedy or claim hereunder or under any provisions herein contained; all provisions hereof are for the sole and exclusive benefit of the parities hereto.

4. SUSPENSION AND CANCELLATION OF CLASS

The continuance of the Classification of any vessel is conditional upon the Rule requirements for periodical, damage and other surveys being duly carried out. The Committee reserves the right to reconsider, withhold, suspend, or cancel the class of any vessel or any part of the machinery for noncompliance with the Rules, for defects reported by the Surveyors which have not been rectified in accordance with their recommendations, or for nonpayment of fees which are due on account of Classification, Statutory and Cargo Gear Surveys. Suspension or cancellation of class may take effect immediately or after a specified period of time.

5. LIMITATION

ABS makes no representations beyond those contained herein and in the provisions of the request for classification regarding its reports, statements, plan review, surveys, certificates or other services.

6. HOLD HARMLESS

THE PARTY TO WHOM THIS CERTIFICATE IS ISSUED, OR HIS ASSIGNEE OR SUCCESSOR IN INTEREST, AGREES TO RELEASE ABS AND TO INDEMNIFY AND HOLD HARMLESS ABS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LAWSUITS, OR ACTIONS FOR DAMAGES, INCLUDING LEGAL FEES, TO PERSONS OR OTHER LEGAL ENTITIES AND/OR PROPERTY, TANGIBLE, INTANGIBLE OR OTHERWISE WHICH MAY BE BROUGHT AGAINST ABS INCIDENTAL TO, ARISING OUT OF OR IN CONNECTION WITH THE WORK DONE, SERVICES PERFORMED OR MATERIAL TO BE FURNISHED UNDER THIS CERTIFICATE, EXCEPT FOR THOSE CLAIMS CAUSED SOLELY AND COMPLETELY BY THE NEGLIGENCE OF ABS, ITS AGENTS, EMPLOYEES, OFFICERS, DIRECTORS OR SUBCONTRACTORS.

ANY OTHER INDIVIDUAL OR PARTY WHO CLAIMS A RIGHT HEREUNDER OR WHO CLAIMS TO BE A BENEFICIARY OR ANY PORTION OF THE SERVICES RENDERED IN COMTEMPLATION OF THIS CERTIFICATE SHALL INDEMNIFY AND HOLD ABS HARMLESS FROM AND AGAINST ALL CLAIMS, DEMANDS, LAWSUITS OR ACTIONS FOR DAMAGES, INCLUDING LEGAL FEES, TO PERSONS AND/OR PROPERTY, TANGIBLE, INTANGIBLE OR OTHERWISE WHICH MAY BE BROUGHT AGAINST ABS BY ANY PERSON OR ENTITY AS A RESULT OF THE SERVICES PERFORMED IN COMTEMPLATION OF THIS CERTIFICATE, EXCEPT FOR THOSE CLAIMS CAUSED SOLELY AND COMPLETELY BY THE NEGLIGENCE OF ABS, ITS AGENTS, EMPLOYEES, OFFICERS, DIRECTORS, OR SUBCONTRACTORS.

7. LIMITATION OF LIABILITY

THE COMBINED LIABILITY OF AMERICAN BUREAU OF SHIPPING, ITS COMMITTEES, OFFICERS, EMPLOYEES, AGENTS OR SUB-CONTRACTORS FOR ANY LOSS, CLAIM OR DAMAGE ARISING FROM ITS NEGLIGENT PERFORMANCE OR NONPERFORMANCE OF ANY OF ITS SERVICES OR FROM BREACH OF ANY IMPLIED OR EXPRESS WARRANTY OF WORKMANLIKE PERFORMANCE IN CONNECTION WITH THOSE SERVICES, OR FROM ANY OTHER REASON, TO ANY PERSON, CORPORATION, PARTNERSHIP, BUSINESS ENTITY, SOVEREIGN, COUNTRY OR NATION, WILL BE LIMITED TO THE GREATER OF A) $100,000 OR B) AN AMOUNT EQUAL TO TEN TIMES THE SUM ACTUALLY PAID FOR THE SERVICES ALLEGED TO BE DEFICIENT.

THE LIMITATION OF LIABILITY MAY BE INCREASED UP TO AN AMOUNT TWENTY-FIVE (25) TIMES THAT SUM PAID FOR SERVICES UPON RECEIPT OF CLIENT'S WRITTEN REQUEST AT OR BEFORE THE TIME OF PERFORMANCE OF SERVICES AND UPON PAYMENT BY CLIENT OF AN ADDITIONAL FEE OF $10.00 FOR EVERY $1,000.00 INCREASE IN THE LIMITATION.

8. ARBITRATION

Any and all differences and disputes of whatsoever nature arising out of this certificate shall be put to arbitration before a board of three persons, consisting of one arbitrator to be appointed by ABS, one by Client and one by the two so chosen. The decision of any two of the three on any point or points shall be final. Until such time as the arbitrators finally close the hearings either party shall have the right by written notice served on the arbitrators and on an officer of the other party to specify further disputes or differences under this certificate for hearing and determination. The arbitrators may grant any relief other than punitive damages which they, or a majority of them, deem just and equitable and within the scope of the agreement of the parties, including, but not limited to specific performance. Awards made in pursuance to this clause may include costs including a reasonable allowance for attorney's fees and judgment may be entered upon any award made hereunder in any court having jurisdiction. ABS and Client hereby mutually waive any and all claims to punitive damages in any forum.

Client shall be required to notify ABS within thirty (30) days of the commencement of any arbitration between it and third parties which may concern ABS's work in connection with this certificate and shall afford ABS an opportunity, at ABS's sole option, to participate in the arbitration.

ADDITIONAL INFORMATION

Major Hull Modification

NEW HULL SECTION DESCRIPTION: _____

DATE OF MODIFICATION: _____

ICE CLASS NOTATION

MINIMUM ENGINE OUTPUT: _____

MAXIMUM ICE DRAUGHT FWD: _____ AMIDSHIPS: _____ AFT: _____

MINIMUM ICE DRAUGHT FWD: _____ AMIDSHIPS: _____ AFT: _____

AUTOMATION NOTATION

NUMBER OF UNATTENDED HOURS:

OPERATING RESTRICTIONS

ADDITIONAL NOTATIONS

CRC

RECORD COMMENTS

29: Vessel has physical features for underwater inspection in lieu of drydocking survey (UWILD).

ANNUAL SURVEY ENDORSEMENT

Place _____ Date _____

_____ Surveyor to the American Bureau of Shipping
(Signature)

Place _____ Date _____

_____ Surveyor to the American Bureau of Shipping
(Signature)

Place _____ Date _____

_____ Surveyor to the American Bureau of Shipping
(Signature)

Place _____ Date _____

_____ Surveyor to the American Bureau of Shipping
(Signature)

INTERMEDIATE SURVEY ENDORSEMENT

Place _____ Date _____

_____ Surveyor to the American Bureau of Shipping
(Signature)

EXTENSION OF CLASS CERTIFICATE
THIS CLASSIFICATION CERTIFICATE IS EXTENDED UNTIL

_____
Date

Place _____ Date _____

_____ Surveyor to the American Bureau of Shipping
(Signature)

Please note that the classification of this vessel is automatically suspended and the certificate automatically becomes invalid, if not endorsed annually within three months of the due date of the annual survey, or if the certificate is not endorsed for completion of the intermediate survey within three months of the due date of the third annual survey.

THIS CERTIFICATE IS NOT A CONFIRMATION OF CLASS

OKEANOS BV

TECHNICAL ASSESSMENT
ODN TAY IV

JANUARY 2014

Okeanos bv
Berg en Dalweg 26
7361 TS Beekbergen
The Netherlands

T: +31 553 560 667
F: +31 553 560 668
M: +31 653 277 223
E: Info@okeanos-bv.nl

0. REVISION RECORD

Revision	Date	Description
0	January 7th, 2014	Initial Release
1	January 31st, 2014	Updated to include additional information

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Author: Otto van Voorst (OvV)

Revision	Reason for Issue			
1	**Updated to include additional information**			
Company	Originator	Checked	Approved	Date
Okeanos bv	OvV			11 February 2014

1. INTRODUCTION

Odebrecht Oleo e Gas SA (OOG) of Rio de Janeiro Brazil is currently working in a refinancing transaction of the semi-submersible drilling unit ODN Tay IV. Accordingly, OOG will need to provide to the Book runners a technical opinion regarding this asset.

ODN Tay IV is a fifth generation DP 3 drilling semi-submersible acquired by OOG in 2011 and commenced operations for Odebrecht in Brazil in March 2013. The drilling unit is now operating successfully for Petrobras in Brazil.

Okeanos has been mandated by OOG to assess the technical performance of ODN Tay IV to date.

2. SCOPE OF WORK OKEANOS

The agreed detailed scope for the activities of Okeanos, the Technical Advisor to OOG, is as provided hereunder and can be further developed to address other technical and environment issues raised by the book runners in the context of the financing. The scope presented herein is based on similar earlier projects Okeanos has undertaken recently.

The following scope of work activities are foreseen:

- Provide opinion regarding the compatibility of the assets' specifications with all major ultra-deep-water regions (namely Brazil and West-Africa);
- Review of expected average ("base case") uptime for each of the asset;
- Provide opinion on current status of the asset, and provide the parameters which may be affecting the uptime during the last 12 months, and when to expect a full recovery of the base case uptime;
- Assessment on expected useful life of the unit, and projected major maintenance costs, downtime and ramp up after each maintenance period;
- Further to previous oil spill in the GoM, to provide comments on operation/safety procedures and requirements in Brazil compared to GoM, as well as potential impacts on regulations;
- To confirm suitability of the vessel specification for alternative operators and the scope and potential cost of modifications that may be required to broaden the remarketing appeal of the vessels;
- To provide an opinion on the OpEx costs as established by the Owner and used on the base case model, and what to expect in the future in terms of price escalation.
- To review if a labour bottleneck is expected in the offshore employment market in Brazil.

3. TECHNICAL ASSESSMENT

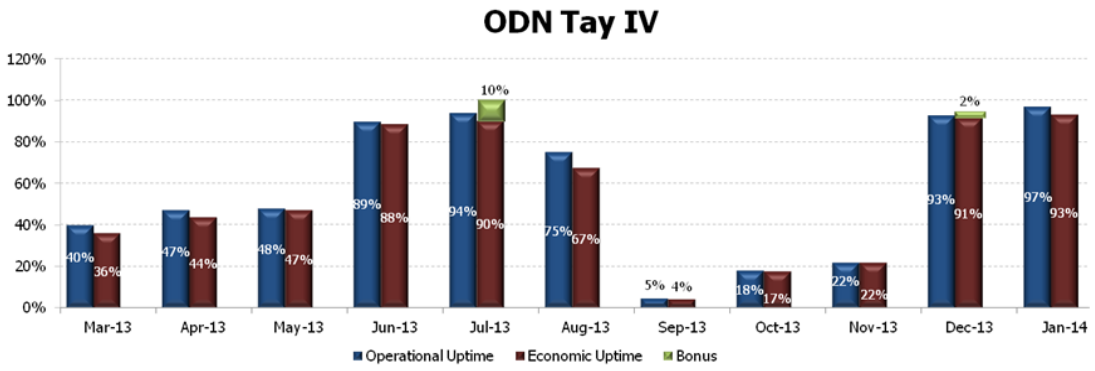
The Basic Technical specifications of ODN TAY IV are depicted in the following table: -

ODN Tay IV	
Past names	Safe Gothia (1981 to 1999) Stena Tay (1999 to 2011)
Type of Asset	Deep-water Dynamic Positioning Semi-submersible Drilling Unit
Maximum water depth	2,400m
Maximum drilling depth	9,100m
Year built	1981 as Floatel; Major conversion to drilling duty in 1999
Year of last upgrade	2012
Original Shipyard	Keppel Fels, Singapore
Upgrade yard 2012	Astican, Las Palmas, Canary Islands
Petrobras contract duration	7 years plus 7 x 1 year options
Operational for Petrobras	Since March 2012
Design	Friede & Goldman L-767C Enhanced Pacesetter
Design Generation	5th
Flag	Marshall Islands
Drilling Package	NOV
BOP	Cameron
Risers	Cameron
DP System	Kongsberg
Main Power	ABB
Main Engines	Wartsila
Thrusters	Wartsila
Pedestal Cranes	Liebherr
Design	Twin pontoon, 8 column
Classification by DNV	1A1 Column Stabilized Drilling Unit HELDK E0 DYNPOS-AUTR
Next Special Survey due	October 2016
Total Length	123.44 m (403 ft)
Breadth	60.96 m (199 ft)

Height	109.7 m (358 ft)
Main deck	103.4 x 69.5 m
Operating draft	18.28 m (59.7 ft)
Transit draft	6.90 m (22.8 ft)
Top Drive (DDM)	Hydralift Power Swivel (HPS 750 H4) 1,500 KIPS (750 tons)
Draw works	State Of The Art 3 Ram Hoist System Hydralift
Riser Tensioning	6 X N Line Rod Tensioners (322 mt each)
BOP	5 Ram x 15,000 PSI
Riser	Cameron LK 3.5 21" 80 ft x 110 joints
Derrick	Hydralift 750 mt
Main diesels	5 x 1.88 MW, 1 x 2.65 MW, 7 x 3.65 MW
Thrusters	4 x Rolls-Royce & 4 Wartsila
DP System (Dynamic Positioning)	Kongsberg DPS-2
Lifeboats	2 x 70 persons, 2 x 80 Persons
Rescue boat	1 x 6 people
Accommodation	150 people maximum
Potable water	863 m3 (7237 bbl)
Fuel	2581 m3 (21645 bbl)
Deck cranes	1 x 50 mt, 1 x 40 mt & 1 x 30 mt riser knuckle boom cranes; 40 mt 1 x 3.5 mt Pipe Crane
Helideck	Sikorsky S-92 e S-61
CCTV	Hernis: with 60 cameras inputs and 30 monitors outputs
Operating displacement	45,643 mt
Variable deck load	5,500 mt

4. PERFORMANCE TO DATE

To the end of November ODN Tay IV has incurred five major down time events since start up in March 2013 and several minor events resulting in a total downtime period amounting to 3410 hours in the total of 6414 hours available since start up in March and the end of November. In this period 19 days (456 hours) have been claimed under the dry-docking allowance. In July the bonus was achieved for the first time. The graph below depicts the uptime achieved since start up.



Major downtime events:

- **Diesel hose leakage - March 4th to April 6th**

  On March 4th at 6:20 pm a fire was identified on the riser deck of the unit. Diesel had overflown from the tank #2 vent line and spilled on the hot surface from the engine exhaust #10 blind flange. The fire was controlled in approximately one hour. There were no serious injuries and no need to evacuate the rig. Five members of the Odebrecht Oil & Gas staff received first aid in the platform medical clinic. As measure to avoid this kind of incident, OOG installed software to implement automatic shutdown of transfer pump in use and inlet valve automatic shutdown when sensors indicate high level in the decantation or overflow tanks.

- **Issues on the YELLOW POD - April 27th to May 13th**

  During the BOP running communication was lost on the Yellow POD. It was necessary to disconnect and start pulling BOP to investigate and fix the problem. The solenoids were changed, repairs performed to the UPS, checked the pre-charge, checked stinger seals on the yellow POD, meggering yellow MUX, Meggering solenoids on yellow pod, Checked Yellow SEM & Solenoids, Replaced 07 Solenoids, found ground fault

caused by Video Amplifier card in the Blue RMJB. Removed both video amplifiers cards (it was not being used) and after that replaced both MUX Cables.

- **Compensator repair - July 24th to August 1st**

  On July 24th 2013, there was a leak on the compensator cylinder seal, making it start moving back. It stroke out alone and APV's missing the air of the system from Olmsted Valve tensioner "C" during BOP disconnecting process. The Drilling Rig was in downtime from 24 July until 31 July 2013 to repair this compensator. On August 1st, 2013, although the repair of the compensator was not fully complete, the Drilling Rig re-started its operations, after the performance of an acoustic system test. The BOP was pulled using just the tensioners.

- **Thrusters #5 and #7 repair - Aug 5th to Sept 16th**

  On August 4th, 2013, Tay IV commenced on the Docking Rate and on August 5th, 2013 commenced moving to Guanabara Bay in order to repair thrusters #5 and #7 that had internal leaking. The compensator's repair was being concluded while the rig was docked at Guanabara Bay. The Rig has 2 LIPS thrusters spare and 1 Kamewa Thruster spare. OOG has overhauled both Spare Thrusters and changed the Thrusters #5 & #7 during the Rig period at Guanabara Bay. The removed thrusters are now being overhauled.
  The compensator was overhauled, changed the seals and tested by Petrobras. It was finished and accepted by Petrobras and started operations on September 17th at 00h.

- **Diesel Hose Incident - October 2nd to November 19th**

  On October 2nd at 10:22 AM the general fire alarm sounded. The alarm was identified to be on Generator # 1, where the diesel return hose failed and sprayed diesel on the hot surface of engine #1. The ESD cable was affected during fire incident, and the rig had a total black out, emergency disconnection was made from the well.

  The fire was extinguished after the fire team released fixed CO2 into the compartment. Support vessel was mobilized and connected to the rig until power was re-established. The repairs were completed and the unit was back in operation on November 19th. The hose leakage is not related to earlier incidents and/or construction errors or omissions. The likelihood of recurrence is very limited as all similar hoses have now been inspected and found in good condition or replaced. As part of the response plan regular

inspection/replacement will be incorporated in the maintenance plan for continuous monitoring.

- **Future shut down and maintenance plans**
  Besides the regular maintenance and services of the equipment there are no shutdowns anticipated in the near future. The special survey, requiring underwater inspection is due every five years and will next be due by October 2016.

5. CERTIFICATES

DNV has issued the Certificate of Class (CoC) on the 13th of February 2013 with validity to October 9th, 2016. The Certificate contains the following notations: -

✠1A1, Column-Stabilized Drilling Unit, Heldk, E0, DYNPOS Autro.

All vessels being assigned Class with DNV are given a Class notation consisting of a construction symbol, a main character of class, service area restriction notations (if applicable) and main ship type notations, as applicable. Class notations cover mandatory and optional requirements. Class notations may be given a supplemental symbol. The supplement is used to identify special requirements or limitations related to the class notation.

The Maltese Cross (✠) is applied to this vessel as the vessel is constructed under DNV rules. The notation 1A1 is assigned to vessels with hull, machinery, systems and equipment found to be in compliance with applicable rule requirements as given in the DNV Rules for Classification of Ships, parts 2, 3 and 4.

The various notations refer to the construction and installation having been carried out under survey of DNV and in accordance with the requirements of the DNV Rules.

Column Stabilized:	Semi Submersible Vessel;
Drilling unit:	Drilling facility;
DYNPOS AUTRO:	Dynamic Positioning with a redundant DP system and an independent joystick system back-up and an additional DP emergency control centre.
E0:	Instrumentation and automation installed to allow for unattended machinery space.

By issuing the Certificate of Class DNV has also, in addition to the classification rules, certified that the ODN Tay IV complies with the main international rules and regulations, as approved by the International Maritime Organisation (IMO) and recognised by Brazil (Coastal State) and Marshall Islands (Flag State).

The short term MODU Safety Certificate as issued by DNV is now valid to February 7th, 2014 and allows 150 Persons on Board (PoB) at any time when at sea.
Under water inspections are allowed in lieu of dry docking and the most recent inspection in August 2013 found material loss on the blade 2 of the propeller of thruster 6, which will require to be fixed in the near future (no firm date given on the certificate)

The main certificates issued by DNV are given hereunder: -

- Certificate of Class, issued by DNV;
- Short Term MODU Safety Certificate;
- International Load Line Certificate;
- Full Term International Oil Pollution Prevention Certificate and Supplement;
- Full Term Statement of Compliance Sewage Pollution Prevention Certificate;
- Statement of Compliance Garbage Pollution Prevention Certificate;
- International Air Pollution Prevention Certificate and Supplement identifying all diesel engines on board;
- The International Ship Security Certificate (ISSC).

The Mobile Offshore Drilling Unit (MODU) Safety Certificate confirms ODN Tay IV meets the requirements of the code for Construction of Mobile Offshore Drilling Unit as defined by the International Maritime Organisation (IMO) allows a maximum PoB of 150 persons.

The International Load Line (ILL) Certificate identifies the minimum freeboard from the deck line to be xxxxmm in tropical environment.

The International Oil Pollution Prevention (IOPP) Certificate confirms the ODN Tay IV meets the requirements relating to Oil Pollution as defined in the International Convention for the Prevention of Pollution from Ships 1973/78, regulation 6 Annex I and contains a reference to the SOPEP manual being available on board.

The International Air Pollution Prevention (IAPP) Certificate confirms the ODN Tay IV and all her Diesel Engines meet the requirements relating to Air Pollution as defined in the International Convention for the Prevention of Pollution from Ships 1973/78, Annex VI, Tier 3 and contains no outstanding recommendations.

The Sewage Pollution Prevention (SPP) SoC Certificate confirms the ODN Tay IV meets the requirements relating to Sewage Pollution as defined in the International Convention for the Prevention of Pollution from Ships 1973/78, regulation 9 & 10 of Annex IV and contains no outstanding recommendations.

The Garbage Pollution Prevention (GPP) SoC Certificate confirms the ODN Tay IV meets the requirements relating to Garbage Pollution as defined in the International Convention for the Prevention of Pollution from Ships 1973/78, Annex V and contains no outstanding recommendations.

The International Ship Security Certificate (ISSC) confirms that ODN Tay IV meets the requirements of the ISPS Code, which covers ship and port facility security issues.

At the present time ODN Tay IV is fully in Class with the next survey due to confirm MODU compliance early in 2014.

6. OPEX

The company's current target operating expenses are US$ 149,000 per day per vessel. At this level OOG believes it's feasible and safe to operate the vessels. The target cost will be evaluated after a year's operations and then adjusted for actual costs and corrections.

The most significant part is the cost of labour pay roll, representing 49% of the total costs. Although labour it is a very representative item of the OpEx, Odebrecht Oil & Gas believes that the high demand for very qualified professional represented a stressed situation a couple of years ago but currently and for the years to come it is expected to face a stabilized scenario.

Other representative items are repair and maintenance representing 15% of the total OpEx. Repair and maintenance cost can vary due to the possible need to incur CapEx caused by corrective maintenance on the equipment in the initial period of operations, however, this is a non-recurring expense in the long run.

The other items are: insurance, training, catering and crew change (expatriate and national) representing together 21% of the OpEx. These items are not expected to vary significantly in the near future.

The other expenses (15%) cover the following:

- Fuel & diesel,
- Vessel Registration & Inspections
- Technical fees, Intercompany Charges (Field Support),
- Waste Disposal,
- QHSE,
- Communications,
- Computer Supplies & Software,
- Office Supplies, Accounting & Legal Fees,
- General Taxes & Licenses,
- Miscellaneous.

Foreign Exchange risk and inflation is considered to be minimal due to the project compensation for OpEx taking in consideration the Brazilian inflation for the Real's component of the OpEx as well as the US CPI index for the US$ component.

Target operating expenditure breakdown	US$K/d 2014	%
Labor and payroll	73.0	49
Repair and maintenance	22.4	15
Insurance	10.4	7
Training	7.5	5
Catering	7.5	5
Crew change (expats & domestic)	6.0	4
Other expense	22.4	15
Total 2014	**149.0**	**100**

Okeanos consider the OpEx values provided by OOG realistic in the current market and conforming to industry averages.

7. LABOUR MARKET

The recent inflation in the Brazilian labour market occurred in the years 2011 and 2012 and is explained due to the fact that several drilling rigs simultaneously started operating in Brazil for Petrobras which, combined with increasing crew turnover, led to a higher demand for drilling professionals during a short period of time.

According to the Odebrecht perspective both issues are now under control and, even with a growing demand for crew for deep-water drilling rigs in Brazil (and globally), OOG has the advantage of personally knowing experienced key professionals in this market as OOG have operated offshore rigs from 1979 to 1999. Okeanos concur with this point of view.

To date OOG has not incurred serious problems when recruiting new crew for the drilling rigs, even during pressing times (for ODN Tay IV the recruiting process was successfully concluded within 6 months). In addition to its experience in the drilling market, OOG has a strong culture that values each individual employee and favours internal growth, incentivising the development through training programs and growth opportunities. Furthermore an aggressive profit sharing program reduces personnel turnovers.

The OOG labour costs escalation is now under control and the OOG labour costs are lower when compared to its peers operating in the Brazilian market.

When the next group of new build drilling unit become operational (the 'Sete' unit) there will be sufficient time for recruiting and training of new crew on the existing rigs.

8. CONCLUSIONS

- ODN TAY IV is fully in Class as confirmed by DNV and can be considered to be state of the art unit in her class. Within the range of the capacities identified above, this unit are Class approved to work any where in the offshore world where there are no artic requirements.

- A minimum water depth (about 100m) is required at the working location. Subject to local requirements (e.g. Union or local regulations) ODN Tay IV could be deployed in all known Oil & Gas Industry arenas, with the exception of the North Slope in Alaska and the Barents Sea north of Norway.

- Modification of ODN Tay IV to attain Ice Class is high (>US$10m). Modifications to meet certain coastal state regulations vary between a few hundred thousand dollars (e.g. language change on name plates) to many million US$ when e.g. Norwegian standard accommodation would be required with single berth cabins.

- The uptime of ODN Tay IV is well below what can be achieved once the teething problems have been resolved. This can be considered normal 'learning curve' practice and it is anticipated that this unit (and the remainder of the OOG fleet) will be attain an average uptime of over 95% in 2014 and the years thereafter.

- ODN Tay IV was originally designed for an operational life of 25 years and after the upgrade/conversion in 1999 the residual fatigue life was assessed at some 25 years. During the 2011 upgrade DNV confirmed that ODN Tay IV still had a residual fatigue life of at least 20 years. Subsequently OOG spent some US$200m to further enhance the unit. The unit can be deployed for at least another 20 years, as long as economically feasible, as dictated by the Offshore Oil & Gas Industry market.

- The OpEx seems realistic and compliant with current market environment. The increase from 2013 to 2014 is consistent with the Brazilian market.

- The changes in legislation after the Macondo incident did not have a direct effect on drilling unit. Most of the changes focus on oil spills response procedures, vessels and equipment.

- To date OOG has not incurred serious problems when recruiting new crew for the drilling rigs, even during pressing times on the Brazilian labour market.

- OOG has a strong culture that values each individual employee and favours internal growth, incentivizing the development through training programs and growth opportunities. A profit sharing program reduces personnel turnovers.

- The OOG labour costs escalation is now under control and the OOG labour costs are lower when compared to its peers operating in the Brazilian market.

THE ISSUER

Odebrecht Offshore Drilling Finance Limited
P.O. Box 309
Ugland House
Grand Cayman
KY1 1104
Cayman Islands

LEGAL ADVISORS

To The Issuer and Project Companies

as to U.S. Federal and New York law:
Davis Polk & Wardwell LLP
Av. Brig. Faria Lima, 3900 – 11º andar,
cj 1102
04538-132 São Paulo - SP
Brazil

as to Austrian law:
Dorda Brugger Jordis Rechtsanwälte GmbH
Universitätsring 10
1010 Vienna, Austria

as to Cayman Islands law:
Maples and Calder
P.O. Box 309
Ugland House
Grand Cayman
KY1 1104
Cayman Islands

To The Initial Purchasers

as to U.S. Federal and New York law:
White & Case LLP
Av. Brig. Faria Lima, 2277 - 4° andar
01452-000 São Paulo – SP
Brazil

as to Brazilian law:
Stocche, Forbes, Padis, Filizzola, Clápis, Passaro, Meyer e Refinetti Advogados
Av. Magalhães de Castro, 4800, 18º andar – Torre 2
Ed. Park Tower
05676-120 São Paulo – SP
Brazil

as to Panamanian law:
Patton, Moreno & Asvat
8th floor, Capital Plaza Building
Roberto Motta Ave.
Costa del Este, Panama City
Republic of Panama

as to Bahamian law:
Higgs & Johnson
Chancery Court, The Mall
P.O. Box F 42519
Freeport, Grand Bahama
Bahamas

as to Austrian law:
Wolf Theiss Rechtsanwälte GmbH & Co KG
Schubertring 6
1010 Vienna
Austria

as to Marshall Islands law:
Watson, Farley & Williams LLP
1133 Avenue of the Americas
New York, NY 10036

INDEPENDENT AUDITORS OF THE PROJECT COMPANIES

PricewaterhouseCoopers Auditores Independentes
Av. Tancredo Neves, 620 – 30th and 34th Floors
41820-020 Salvador – BA
Brazil

TRUSTEE, REGISTRAR, COLLATERAL AGENT, PAYING AGENT AND TRANSFER AGENT

HSBC Bank USA, N.A.
425 Fifth Avenue
New York, New York 10018
United States of America

LUXEMBOURG PAYING AGENT, TRANSFER AGENT AND LUXEMBOURG LISTING AGENT

Banque Internationale à Luxembourg S.A.
69, route d'Esch
L-2953 Luxembourg Grand Duchy of Luxembourg