Term Sheet

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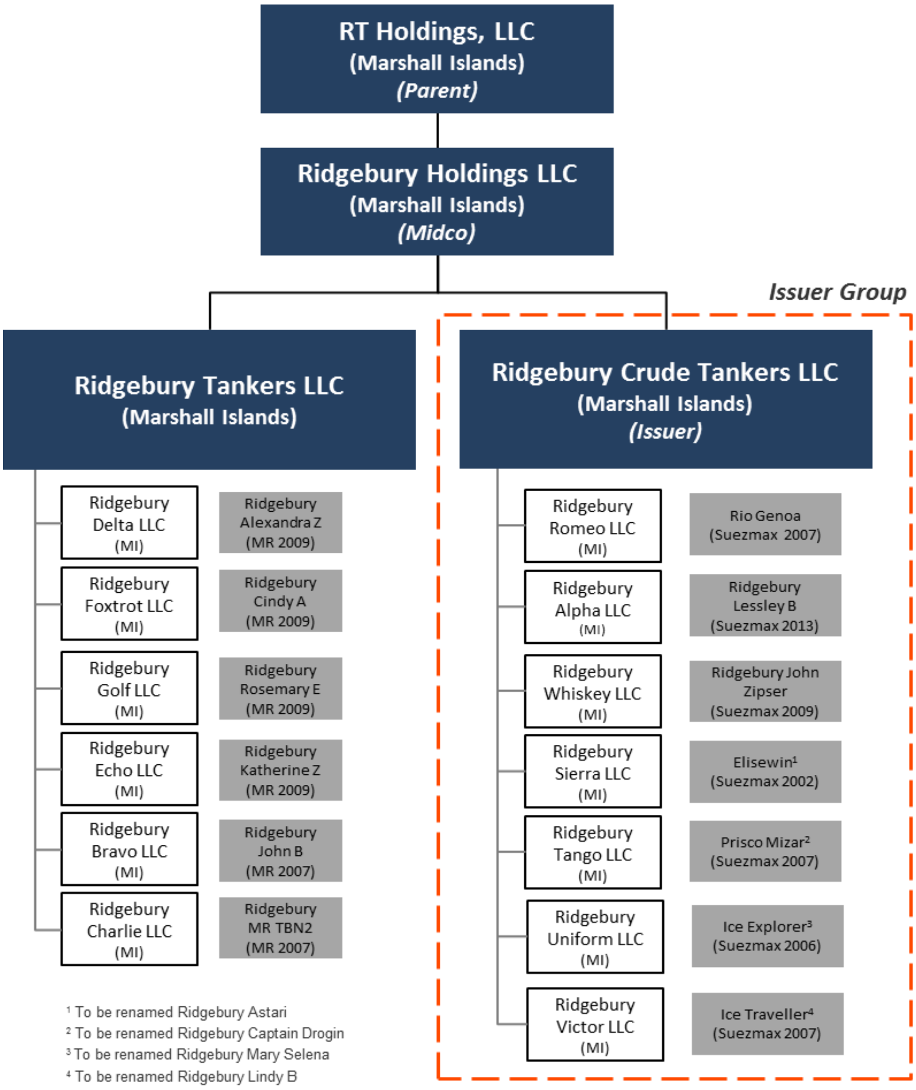
Ridgebury Crude Tankers LLC Senior Secured Bond Issue 2014/2017
("the Bonds" / the "Bond Issue")

Settlement date: Expected to be 20 March 2014



Issuer:	Ridgebury Crude Tankers LLC (a company registered in the Marshall Islands with organisation number 962879).
Parent:	RT Holdings, LLC (a company registered in Marshall Islands with organisation number 962344).

Midco:	Ridgebury Holdings LLC (a company registered in Marshall Islands with organisation number 962878), a single purpose company, 100% directly owned by the Parent.
Vessel Manager:	Bernhard Schulte Shipmanagement (currently the technical manager of the Security Vessels), or such other technical ship manager, not being an affiliate or (direct or indirect) subsidiary of the Parent, reasonably acceptable to the Trustee. For the Original Security Vessel Elisewin, DS Tankers GmbH & Co shall be acceptable Vessel Manager. For the Original Security Vessel Prisco Mizar, Prisco (Singapore) Pte. Ltd. shall be acceptable Vessel Manager.
Vessel Owners:	The single purpose limited liability companies, each being the sole legal and beneficial owner of a Security Vessel. All Vessel Owners shall be 100% directly owned subsidiaries of the Issuer and registered in the Marshall Islands or another jurisdiction acceptable to the Trustee.
Guarantors:	The Parent, the Midco and the Vessel Owners.
Issuer Group:	The Issuer and its Subsidiaries from time to time and any other entity required to be treated as a subsidiary in the Issuer's consolidated accounts in accordance with GAAP and/or any applicable law (each an "**Issuer Group Company**").
Currency:	USD
Principal Amount:	USD 210 million.
Coupon Rate:	[8.0] % p.a., semi-annual interest payments.
Settlement Date:	Expected to be 20 March 2014. Notice to be given to subscribers minimum two banking days prior to Settlement Date (on which date the Principal Amount shall be credited to the Escrow Account (as defined below)).
Final Maturity Date:	20 March 2017.
First interest payment day:	20 September 2014 (6 months after Settlement Date).
Last interest payment day:	Final Maturity Date.
Interest Payments:	Interest on the Bonds will commence to accrue on the Settlement Date and shall be payable semi-annually in arrears on the interest payment day in March and September each year. Daycount fraction is "30/360", business day convention is "unadjusted" and business day is "Oslo" and "New York".
Amortizations:	The Bonds shall be repaid in full on the Final Maturity Date at 100% of par value (plus accrued interests on redeemed amount).
Price:	100 % of par value.
Nominal value:	The Bonds will have a nominal value of USD 1 each. Minimum subscription and allotment amount shall be USD 200,000.
Status of the Bonds:	The Bonds shall be senior debt of the Issuer and secured on a first priority basis over the Security Vessels and certain other assets as set out herein. The Bonds shall rank at least *pari passu* with all other claims of the Issuer other than obligations which are mandatorily preferred by law.

Call Options (American):	The Issuer may redeem the Bonds in whole, but not in part, at any time from and including: (i) the Settlement Date to, but not including, the day falling 18 months after Settlement Date, at a price equal to the sum of: a) the present value on the relevant record date of [104.00]% of the par value as if such payment originally should have taken place on the interest payment day falling 18 months after the Settlement Date; and b) the present value on the relevant record date of the remaining coupon payments (less any accrued but unpaid interest) through and including the interest payment day falling 18 months after the Settlement Date, both calculated by using a discount rate of 50 basis points over the comparable U.S. Treasury Rate (i.e. comparable to the remaining duration of the Bonds until the mentioned interest payment day falling 18 months after the Settlement Date) (plus accrued interest on redeemed amount) and where "relevant record date" shall mean a date agreed upon between the Trustee, the Paying Agent, VPS and the Issuer in connection with the such repayment; (ii) the date falling 18 months after Settlement Date to, but not including, the date falling 24 months after Settlement Date at a price equal to [104.00]% of par value (plus accrued interest on redeemed amount); (iii) the date falling 24 months after Settlement Date to, but not including, the date falling 30 months after Settlement Date at a price equal to [102 2/3]% of par value (plus accrued interest on redeemed amount); and (iv) the date falling 30 months after Settlement Date to, but not including, the Final Maturity Date at a price equal to [101 1/3]% of par value (plus accrued interest on redeemed amount).
Release of funds from the Escrow Account:	The funds on the Escrow Account shall be released by the Trustee to the Issuer for utilization in accordance with the Purpose of the Bond Issue, subject to all relevant Conditions Precedent being fulfilled.
Purpose of the Bond Issue:	The net proceeds from the Bond Issue (net of legal costs, fees of the Manager and the Trustee and any other agreed costs and expenses) shall exclusively be employed to (i) fund the Reserve Account by USD 10 million, and (ii) fund the Issuer's acquisition of the Original Vessels. Any surplus funds following (i) and (ii), net of any further costs or expenses in relation to the Bond Issue and acquisitions, shall be transferred to the Reserve Account.
Security Vessels:	The Original Vessels and the Additional Vessels.
Original Vessels:	The suezmax crude tankers described in the Offering Memorandum and set out in Schedule 2.
Additional Vessels:	Means any secondhand suezmax or medium-range product tankers acquired by using Excess Cash (as defined below) and/or new equity injected into the Issuer. Any Additional Vessels shall be subject to the Additional Security (as defined below) and the acquisition of any Additional Vessels shall be subject to delivery of Conditions Precedent - All Disbursements in relation to such Security Vessel and Vessel Owner, excluding (i) and (ii) in relation to Additional Vessels not financed by Excess Cash.
Charter Contract:	Any charter contract or other contract of employment in respect of the Security Vessels, such contracts to be entered into by the respective Vessel Owner.
Pool Agreement:	The agreements entered into between the agent and the pool company of the Pool and the respective Vessel Owner for the commercial operation of a Security Vessel(as amended from time to time). Security Vessels may be taken out of the

Pool and put on a Charter Contract.

Pool:	The Heidmar Blue Fin Pool or such other pool reasonably acceptable to the Trustee.
Technical Management Agreements:	Means the technical management agreements for the Security Vessels (as amended from time to time) entered into between each of the Vessel Owners and the Vessel Manager.
Management Agreement:	Means the management agreement for general management services provided to the Issuer and entered into between Ridgebury Management LLC (a 100% indirect subsidiary of the Parent) (the "**General Manager**") and the Issuer. The fees payable under the management agreements shall be limited to a maximum of USD 1,100 per Security Vessel per day.
Parent Guarantee:	Unconditional and irrevocable on-demand guarantee from the Parent up to the full amount outstanding under the Bonds.
Midco Guarantee:	Unconditional and irrevocable on-demand guarantee from the Midco up to the full amount outstanding under the Bonds.
Vessel Owner Guarantees:	Unconditional and irrevocable on-demand guarantees up to the full amount outstanding under the Bonds from each of the Vessel Owners.
Security:	As security for the Finance Documents (including any interest, default interest, costs and expenses) the following security has been or will be executed (all in favour of the Trustee (on behalf of the bondholders)):

Pre-Settlement Security:

(i) A pledge over the Escrow Account (as defined below) (according to Norwegian law) (the “**Escrow Account Pledge**”);

(ii) the Parent Guarantee; and

(iii) the Midco Guarantee;

Pre-Disbursement Security:

(iv) the Vessel Owner Guarantees;

(v) mortgage over the Security Vessels including all relevant equipment being legally part of the Security Vessels under the appropriate law (the “**Mortgage**”), (including any deed of covenants supplemental to the Mortgages and to the security thereby created between the Issuer and the Trustee);

(vi) a pledge granted by the Midco over all of the shares (100%) in the Issuer (the “**Issuer Share Pledge**”), together with, inter alia, letters of resignation (effective upon a default) from current board members and covenants to obtain such from future board members;

(vii) a pledge granted by the Issuer over all of the shares (100%) in the Vessel Owners (the “**Vessel Owner Share Pledge**”), together with, inter alia, letters of resignation (effective upon a default) from current board members and covenants to obtain such from future board members;

(viii) assignment of the Pool Agreement including direct cure and termination rights in case of default (to the extent permitted pursuant to applicable law). The Vessel Owners shall give notice and obtain consent and acknowledgement from the Pool (the “**Assignment of Pool Agreements**”).

(ix) assignment of the rights of the Vessel Owner under any Charter Contract having a duration of minimum 12 months including direct cure and step-in rights and termination rights in case of default (provided that an assignment is permitted pursuant to the terms of the Charter Contract and applicable law (it being understood that the Issuer shall use reasonable efforts to agree a Charter Contract that allows assignment)), and the Issuer shall give notice and use its best endeavors to obtain consent and acknowledgement of such assignment from the charterer (the "**Charter Contract Assignments**");

(x) pledge or charge in any other assets of each Issuer Group Company, including to the extent legally possible a floating charge over all the assets of the Issuer (the "**Floating Charge**");

(xi) to the extent not included in the Charter Contract Assignments or Assignment of Pool Agreements (as applicable) to the satisfaction of the Trustee, assignment of all earnings related to the Security Vessels. The Issuer and relevant Vessel Owner shall give notice and use its best endeavors to procure the acknowledgement of such assignment from its respective counterparties (the "**Assignments of Earnings**");

(xii) a pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Earnings Account (as defined below) (the "**Earnings Account Pledge**");

(xiii) a pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Retention Account (as defined below) (the "**Retention Account Pledge**");

(xiv) a pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Operating Account (as defined below) (the "**Operating Account Pledge**");

(xv) a pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Reserve Account (as defined below) (the "**Reserve Account Pledge**");

(xvi) a pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the General Expenses Account (as defined below) (the "**General Expenses Account Pledge**");

(xvii) assignment of the Technical Management Agreements including direct cure and step-in rights and termination rights in case of default (to the extent permitted pursuant to applicable law). The Issuer shall give notice and obtain consent and acknowledgement from the Vessel Manager (the "**Assignment of Technical Management Agreements**");

(xviii) assignment of the Management Agreements including direct cure and step-in rights and termination rights in case of default (to the extent permitted pursuant to applicable law). The Issuer shall give notice and obtain consent and acknowledgement from the General Manager (the "**Assignment of Management Agreements**");

(xix) an assignment in all relevant insurances related to the Security Vessels and the equipment related thereto (the "**Assignment of Insurances**"); and

(xx) assignment over all claims between any of the Parent and/or any Issuer Group Company (including but not limited to intra group loans and claims from Vessel Owners against the Issuer in relation to the Earnings (the "**Assignment of Intragroup Debt"**).

The Pre-Settlement Security shall be established no later than at the Settlement Date. The Pre-Disbursement Security shall be established prior to the relevant release from the Escrow Account as described below under Conditions Precedent Pre-

Disbursement.

The Security in (i) - (xx), documentation relating to any Cash Deposit and the Additional Security to be referred to herein as the Security Documents.

Ranking:

The Security set out in (i) through (xx) above shall constitute first priority security.

Additional Security:	Security (iv), (v), (vii) - (xi) and (xvii) - (xx) above shall be established also for any Additional Vessels and any additional Vessel Owners, to the extent not previously provided, upon delivery of such Additional Vessel.
Contract Structure and Application of Proceeds:	All gross earnings related to the Security Vessels shall be paid into the Issuer's Earnings Account, and the following transfers and payments shall be made on a monthly basis within five days after receipt ("**Transfer Date**"): (i) Firstly, the Issuer shall transfer from the Earnings Account to the Retention Account an amount equal to 1/6 of the next interest payment plus any shortfall from the previous month's transfer; (ii) secondly; the Issuer shall transfer an amount equal to the next month's budgeted Operating Expenses for the Security Vessels, plus or minus any shortfall or surplus between the budgeted Operating Expenses and the actual Operating Expenses from the previous month, from the Earnings Account to the Operating Account; (iii) thirdly; the Issuer shall transfer an amount equal to the next month's budgeted General Expenses from the Earnings Account to the General Expenses Account; and (iv) finally; the Issuer shall transfer all remaining funds on the Earnings Account to the Reserve Account. If for any reason, funds on the Earnings Account are insufficient for the transfers to the Retention Account and Operating Account as set out in (i), (ii) and (iii) above, such shortfall shall be covered from the Reserve Account.
Operating Expenses:	Means operating expenses necessary for the operation of the Security Vessels including dry docking expenses.
General Expenses:	Means general and administration expenses of USD 1,100 per Security Vessel per day.
Application of Proceeds following an Event of Default:	Application following an Event of Default: (i) firstly; in respect of all costs and expenses whatsoever incurred by the Trustee, and the Issuer will indemnify the trustee for all costs and expenses in any event; (ii) secondly; in or towards payment of all interest due hereunder; (iii) thirdly; any other amount including principal outstanding under the Finance Documents; and (iv) finally; the balance, if any, shall be paid to the Issuer.
Accounts:	The Issuer shall open and maintain the following accounts with DNB Bank ASA (the "**Account Bank**"): (i) the Escrow Account (in connection with the Settlement of the Bonds);

(ii) the Earnings Account;

(iii) the Retention Account;

(iv) the Operating Account;

(v) the General Expenses Account; and

(vi) the Reserve Account.

Subject to the Trustee's prior written approval, the Issuer may transfer amounts standing to the credit of the Issuer on any Account to another bank replacing the Account Bank for the purpose of facilitating a time deposit or to another Acceptable Bank, provided that such new account is pledged and blocked in favor of the Trustee (on behalf of the bondholders) in a form and content satisfactory to the Trustee. No other Issuer Group Company shall keep any other accounts.

If the Bonds are redeemed in full according to the Mandatory Prepayment clause, the Issuer's Call Option or at the Final Maturity Date the entire amount on the Accounts may be used as partial payment.

Escrow Account: The Issuer shall prior to issue of the Bonds establish an escrow account and the net proceeds from the Bond Issue shall be transferred to the escrow account in connection with the issuance of the Bonds. The Escrow Account shall be pledged on a first priority basis in favor of the Trustee (on behalf of the bondholders) and blocked. The amount on the Escrow Account shall only be used according to the Purpose of the Bond Issue.

Before release of funds from the Escrow Account takes place, all the Pre-Disbursement Conditions Precedent (as described below) relevant for such release shall be complied with.

In the event that the Pre-Disbursement Conditions Precedent are not satisfied for a minimum of five of the Security Vessels (two of which shall be Ridgebury Lessley B and Ridgebury John Zipser), for any reason, within 75 days after the Settlement Date, all amounts outstanding under the Bond Issue shall be prepaid.

In the event that the Pre-Disbursement Conditions Precedent are satisfied for a minimum of five Security Vessels (two of which shall be Ridgebury Lessley B and Ridgebury John Zipser), but not for all of the Security Vessels, for any reason, within 75 days after the Settlement Date any remaining amounts on the Escrow Account shall be prepaid.

Any prepayment as set out above shall be made at 101% of par value (together with accrued interest).

Earnings Account: All earnings related to the Security Vessels shall be paid directly from the charterer under a Charter Contract or Pool (as applicable) to the Earnings Account, and shall only be used as described herein in accordance with the Contract Structure and Application of Proceeds. The Earnings Account shall be pledged on a first priority basis in favor of the Trustee (on behalf of the bondholders), but not blocked (unless there is an outstanding Event of Default).

Retention Account: The Retention Account shall be pledged on a first priority basis in favor of the Trustee (on behalf of the bondholders), and blocked. Amounts standing on the Retention Account shall only be used to pay scheduled interest under the Bonds.

Operating Account: The Operating Account shall be pledged on a first priority basis in favor of the Trustee (on behalf of the bondholders) but not blocked (unless there is an outstanding Event of Default). Amounts standing on the Operating Account shall only be used to pay Operating Expenses related to the Security Vessels.

General Expenses Account:	The General Expenses Account shall be pledged on a first priority basis in favor of the Trustee (on behalf of the bondholders) but not blocked (unless there is an outstanding Event of Default). Amounts standing on the General Expenses Account shall only be used to pay General Expenses according to the Management Agreement.
Reserve Account:	The Reserve Account shall be pledged on a first priority basis in favor of the Trustee (on behalf of the bondholders) and blocked. Cash deposited on the Reserve Account shall only be used to cover any shortfall under the cash waterfall described under the Contract Structure and Application of Proceeds (above) or according to the Use of Excess Cash, and in any case subject to no Event of Default or potential Event of Default being outstanding or occurring upon release from the Reserve Account. The amount standing on the Reserve Account shall at all times be minimum USD 7.5 million.

Conditions Precedent:

Pre-Settlement:

Disbursement of the net proceeds (net of fees to the Manager and legal costs) from the Bond Issue to the Escrow Account will be subject to certain conditions precedent as customary for these types of transactions, including but not limited to:

(i) The Bond Agreement duly executed;

(ii) the applicable Finance Documents in satisfactory form duly executed and perfected (as applicable);

(iii) an agreement between the Trustee and the Issuer related to expenses and fees duly executed;

(iv) corporate documents of the Issuer, Midco and/or Parent, necessary corporate resolutions of the Issuer, Midco and/or Parent any necessary governmental approvals, consent or waivers (as the case may be) to issue the Bonds and execute the Finance Documents to which the Issuer, Midco and/or Parent are parties;

(v) any statements or legal opinions reasonably required by the Trustee;

(vi) the Pre-Settlement Security duly executed and perfected by all parties thereto (including all applicable notices, acknowledgements and consents from the Account Bank);

(vii) the Project Documents in acceptable form and duly executed; and

(viii) no (potential) Event of Default has occurred and is continuing and a statement from the Issuer to that effect.

Pre-Disbursement:

The amount on the Escrow Account shall only be used according to the Purpose of the Bond Issue and all releases from the Escrow Account shall be subject to certain conditions precedent as customary for these types of transactions (unless already delivered), including but not limited to:

First Disbursement
The first disbursement from the Escrow account shall (in addition to Conditions Precedent for All Disbursements) be subject to:

(i) Satisfactory documentation evidencing that the Accounts are opened;

(ii) all Security (not relating to a Security Vessel or Vessel Owner and thus to be delivered in relation to disbursement for a Security Vessel) being executed and perfected (including all applicable notices, acknowledgements and consents from the Account Bank and other counterparties);

(iii) the relevant Finance Documents (unless delivered Pre-Settlement) in satisfactory form duly executed and perfected (as applicable);

(iv) pro-forma balance sheet dated on the release date showing that the Issuer has no other Financial Indebtedness than such Financial Indebtedness incurred pursuant to the Finance Documents or permitted thereunder, duly certified by a director of the Issuer; and

(v) evidence that the aggregate equity value of all Original Vessels has been injected into the Issuer (measured based on vessel valuations not more than 30 days old, as applicable).

All Disbursements

All disbursements from the Escrow account following the First Disbursement shall be subject to:

(i) A duly executed release notice from the Issuer;

(ii) satisfactory documentation evidencing that the amount to be released shall be applied in accordance with the Purpose of the Bond Issue;

(iii) no (potential) Event of Default has occurred and is continuing and a statement from the Issuer to that effect;

(iv) corporate documents of the Issuer, Midco, Parent and/or Vessel Owner (as applicable), necessary corporate resolutions of the Issuer, Midco, Parent and/or Vessel Owner (as applicable), any necessary governmental approvals, consent or waivers (as the case may be) to execute the Finance Documents to which it is a party;

(v) any statements or legal opinions reasonably required by the Trustee in form and substance satisfactory to the Trustee;

(vi) any other document or action reasonably requested by the Trustee;

(vii) the relevant Finance Documents (unless delivered Pre-Settlement) in satisfactory form duly executed and perfected (as applicable);

For disbursements for each Security Vessel (in relation to each Security Vessel and respective Vessel Owner), also:

(viii) all relevant Security (including all Security relating to the relevant Security Vessels, and to be granted by the relevant Vessel Owner or over its shares) being executed and perfected (including all applicable notices, acknowledgements and consents from the relevant counterparties);

(ix) satisfactory evidence that all insurances have been taken out;

(x) customary documents and certificates related to the Security Vessels, including but not limited to protocol of delivery and similar documents;

(xi) an undertaking from the General Manager, subordinating its claims to the Bonds, in form and substance satisfactory to the Trustee (the **"General Manager's Undertaking**");

(xii) pro-forma balance sheet dated on the release date showing that the Vessel Owner has no other Financial Indebtedness than such Financial Indebtedness incurred pursuant to the Finance Documents or permitted thereunder, duly certified by a director of the Issuer; and

(xiii) satisfactory evidence that upon the acquisition of that Security Vessel the Security Vessels held by the Vessel Owners shall be at least 30% equity financed, on an aggregate basis (measured based on vessel valuations not more than 30 days old, as applicable).

The amounts on the Escrow Account may be released prior to fulfillment of the Conditions Precedent referred to above, provided the Trustee being satisfied that the Conditions Precedent will be complied with in connection with disbursement of the amount from the Escrow Account, and subject to closing mechanics satisfactory by the Trustee.

The Trustee may waive or postpone the delivery of certain conditions precedent at its sole discretion.

Parent Covenants: The Parent shall undertake to:

(i) not carry out any de-merger or other corporate reorganization involving a split of the Parent or any Issuer Group Company into two or more separate companies or entities;

(ii) not cease to carry on its business, and shall procure that no substantial change is made to the general nature of the business of the Parent Group from that carried on at the date of this Term Sheet, and/or as set out in this Term Sheet and Offering Memorandum;

(iii) not, and shall ensure that none of its Subsidiaries shall, enter into any transaction with any person except on arm's length terms and for fair market value;

(iv) not change its type of organization or jurisdiction of incorporation;

(v) carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it may be subject to from time to time;

(vi) remain the 100% direct or indirect owner of Ridgebury Management LLC, which shall be the provider of general management services to the Issuer and such services shall be governed by the Management Agreement; and

(vii) procure to deliver on its own accord the annual audited and quarterly interim unaudited reports of the Parent (on a consolidated basis), which shall be made available on the Parent's website (alternatively by sending them to the Trustee for publishing on www.stamdata.no) as soon as they are made available, and not later than 120 days after the end of the financial year and not later than 60 days after the end of the relevant interim period.

Midco Covenants: The Midco shall, inter alia:

(i) not carry out any de-merger or other corporate reorganization involving a split of the Midco or any Issuer Group Company into two or more separate companies or entities;

(ii) not cease to carry on its business;

(iii) not, and shall ensure that none of its Subsidiaries shall, enter into any transaction with any person except on arm's length terms and for fair market value;

(iv) not change its type of organization or jurisdiction of incorporation; and

(v) carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it may be subject to from time to time;

Issuer's Positive Covenants:

The Issuer shall, inter alia:

(i) Procure to deliver on its own accord the annual audited and quarterly interim unaudited consolidated and un-consolidated reports of the Issuer ("**Reporting**"), which shall be made available on the Parent's website (alternatively by sending them to the Trustee for publishing on www.stamdata.no) as soon as they are made available, and not later than 120 days after the end of the financial year and not later than 60 days after the end of the relevant interim period;

(ii) maintain the Security Documents in full force and effect, and do all acts which may be necessary to ensure that such security remains duly created, enforceable and perfected with first priority ranking, creating the security contemplated thereunder, at the expense of the Issuer, or the relevant security provider (as the case may be);

(iii) procure that the Vessel Managers operate the Security Vessels in accordance with good industry standards and in accordance with its obligations under the relevant Management Agreements and in compliance with the terms hereof and the Security Documents;

(iv) carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it or they may be subject to from time to time;

(v) perform and observe all of its covenants and agreements contained in any of the Project Documents to which it is or becomes a party, and take any and all action as may be reasonably necessary promptly to enforce its rights and to collect any and all sums due to it under the Project Documents; and

(vi) ensure that upon the sale of a Vessel Owner, all claims from that Vessel Owner against any Issuer Group Company shall be cancelled.

The Trustee may and shall upon request distribute such abovementioned reports referred to in (i) above to the bondholders.

Issuer's Negative Covenants:

The Issuer shall not without the approval of the Trustee or, where necessary, the bondholders' meeting:

(i) Declare or make any dividend payment, repurchase of shares or make other capital distributions to its shareholders (including but not limited to total return swaps involving any shares issued by any party);

(ii) amend its constitutional documents unless related to issuance of new shares to the Parent in connection with conversion of debt to equity or otherwise, provided that such shares are subject to the Issuer Share Pledge;

(iii) carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any other Issuer Group Company with any other companies or entities;

(iv) carry out any de-merger or other corporate reorganization involving a split of the Issuer or any other Issuer Group Company into two or more separate companies or entities;

(v) cease to carry on its business, and shall procure that no substantial change is made to the general nature of the business of the Issuer Group from that carried on at the date of this Term Sheet, and/or as set out in this Term Sheet;

(vi) enter into any transaction with any person except on arm's length terms and for fair market value;

(vii) change its type of organization or jurisdiction of incorporation;

(viii) agree to or permit the assignment of any rights or the delegation of any obligations under the Project Documents other than the Security under this Bond Issue;

(ix) sell or otherwise dispose of all or a substantial part of the Issuer Group, unless the Bonds are redeemed in accordance with the Mandatory Prepayment provisions;

(x) incur or permit to remain outstanding any additional Financial Indebtedness (whether secured or unsecured) other than (i) any Financial Indebtedness arising under the Bond Issue and (ii) debt to the Vessel Owners provided such debt is subordinated and subject to satisfactory subordination agreement acceptable to the Trustee, including no right of service, repayment, prepayment, payment of cash interest and with a maturity extending beyond the Final Maturity Date;

(xi) create or permit to subsist any security over any of its assets or enter into arrangements having a similar effect except for (i) any security contemplated by the Bond Issue, and (ii) any security arising by operation of law;

(xii) enter into any sale- and leaseback transactions;

(xiii) grant any financial support such as loans, guarantees or other financial assistance to any party other than to the Vessel Owners, save for any loans granted on behalf of a Vessel Owner to fund its working capital commitment pursuant to the terms of any non-affiliated pool arrangements to which that Vessel Owner is a party; and

(xiv) make any investments or capital expenditures, other than solely related to (i) the ownership in and operation of the Security Vessels, and (ii) the acquisition of Additional Vessels according to Use of Excess Cash.

The Bond Agreement shall further include other standard covenants as customary in the Norwegian high-yield bond market.

Vessel Owners' Positive Covenants:

The Issuer shall (in its capacity as parent of the Vessel Owners) ensure that each Vessel Owner shall, inter alia:

(i) Ensure that all earnings under any Charter Contracts, any Pool Agreement and all other earnings related to the Security Vessels and any insurance or sale proceeds shall be paid to the Earnings Account;

(ii) ensure that each Vessel Owner remains a single purpose company owning and chartering the relevant Security Vessel;

(iii) enforce any rights that it has to ensure that the relevant Security Vessel is to the best of its knowledge at all times operated and maintained in accordance with the Project Documents;

(iv) upon request of the Trustee arrange for the Trustee, and/or any person appointed by the Trustee, to undertake a technical inspection of the Security Vessels without interference of the daily operation of the Security Vessels and at the expense of the Issuer, (however limited to one yearly inspection per vessel unless an Event of Default has occurred and is continuing); and

(v) upon request of the Trustee facilitate a review of the accounts of the Vessel Owners by an auditor appointed by the Trustee at the Issuer's cost (however limited to one yearly inspection unless an Event of Default has occurred and is continuing), and have satisfactory control systems in place which may also be subject for review.

The Bond Agreement shall further include other standard covenants as customary in the Norwegian high-yield bond market.

Vessel Owners' Negative Covenants:	Each of the Vessel Owners shall not without the prior written approval of the Trustee or, where necessary, the bondholders:

(i) Declare or make any capital distributions to any company other than the Issuer (including but not limited to total return swaps involving any shares issued by any party);

(ii) change its type of organization or jurisdiction of incorporation;

(iii) agree to any changes to the Project Documents which are likely to have a Material Adverse Effect;

(iv) agree to or permit the assignment of any of their rights under the Project Documents or any charter arrangement to which it is or becomes party, other than the Security under this Bond Issue;

(v) grant any loans, guarantees or other financial assistance to any party, other than (i) the Vessel Owner Guarantee and the Security granted by it as security for the Bond Issue, (ii) guarantees issued for the benefit of third parties in the ordinary course of business, (iii) any guarantees as required under the Project Documents, and (iv) any loans to the Issuer provided such debt is subordinated and subject to satisfactory subordination agreement acceptable to the Trustee;

(vi) incur or permit to remain outstanding any additional Financial Indebtedness (whether secured or unsecured) other than (i) any Financial Indebtedness arising under the Bond Issue and (ii) debt to the Issuer;

(vii) create or permit to subsist any security over any of their assets (including the Security Vessels) or enter into arrangements having a similar effect except for (a) any security granted as security for the Bond Issue or (b) any lien or security arising by operation of law;

(viii) invest or take part in any other activity than solely related to the ownership and ordinary operation of each respective Security Vessel;

(ix) engage, directly or indirectly, in any transaction with any party (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except in the ordinary course of business and pursuant to the reasonable requirement of the Vessel Owners' business and upon fair and reasonable terms that are not less favourable to the Vessel Owners, as the case may be, than those which might be obtained in an arm's length transaction at the time; and

(x) cease to carry on their business or change the general nature of their business from that contemplated in this Term Sheet.

The Bond Agreement shall further include other standard covenants as customary in the Norwegian high-yield bond market.

Minimum Asset Cover Ratio:	Issuer to maintain, at any time, on a consolidated basis, an Asset Cover Ratio of minimum 125%.
	The Issuer must report that the Issuer is in compliance with the Asset Cover Ratio in connection with the Reporting, or, following an Event of Default or potential Event of Default, upon the request of the Trustee.
Minimum Value	Parent to maintain, at any time, on a consolidated basis, a Value Adjusted Equity

Adjusted Equity Ratio: Ratio of minimum 25%.

Covenant Cure: In an event where the Asset Cover Ratio is below the Minimum Asset Cover Ratio Riverstone, Midco or the Parent may provide cash deposit securing the Bonds (in a bank selected by the Trustee and in form and substance satisfactory to the Trustee) ("**Cash Deposit**").

For the purpose of calculating the Asset Cover Ratio, the value of any Cash Deposit shall be considered Excess Cash.

Riverstone, Midco or the Parent (as applicable) may by written request to the Trustee request the release of the Cash Deposit if it provides evidence satisfactory to the Trustee that there will be no Event of Default or potential Event of Default upon its release, in which event the Trustee shall effect the release of the Cash Deposit (at the Issuer's cost).

Definitions: **Acceptable Bank** means a bank with a credit rating of A- or better.

Asset Cover Ratio means the Market Value of the Security Vessels relative to the par value of the outstanding Bonds under the Bond Agreement less Excess Cash.

Market Value means the fair market value of the vessel(s) determined as the arithmetic mean of independent valuations of the vessel(s) obtained from two independent and well-reputed sale and purchase brokers familiar with the market for the vessel(s) appointed by the Issuer and approved by the Trustee (such brokers as listed in Schedule 1 being pre-approved). Such valuation shall be made on the basis of a sale for prompt delivery for cash at arm's length on normal commercial terms as between a willing seller and willing buyer, on an "as is where is" basis, free of any existing charters or other contracts for employment. The cost of such determination shall be for the account of the Issuer and such determinations shall be made semi-annually.

Parent Fleet means all vessels owned by companies in the Parent Group.

Parent Group means the Parent and its Subsidiaries from time to time and any other entity required to be treated as a subsidiary in its consolidated accounts in accordance with GAAP and/or any applicable law.

Riverstone means Riverstone Holdings LLC, through Riverstone Global Energy and Power Fund V.

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

Total Liabilities means the aggregate amount of the consolidated total liabilities of the Parent Group, calculated in accordance with GAAP.

Value Adjusted Equity means Value Adjusted Total Assets less Total Liabilities.

Value Adjusted Equity Ratio means Value Adjusted Equity over Value Adjusted Total Assets.

Value Adjusted Total Assets means the book value on a consolidated basis of all assets of the Parent Group according to GAAP, adjusted for the difference between the consolidated book value of the Parent Fleet and the consolidated Market Value of the Parent Fleet.

Vessel Covenants: Standard vessel covenants: (i) maintenance of insurances (see below), (ii) maintenance of class and allow the Trustee to inspect the Security Vessels if requested; (iii) no change of flag, name and registry unless approved by the Trustee, such approval not to be unreasonably withheld, always provided that such approval will not be required if a change is required and permitted pursuant to the Project Documents and the Security Documents are not impaired; (iv) Security Vessels to be kept in a good and safe condition and repairs are consistent with prudent ownership and industry standards; and (v) operation in accordance with laws and regulations.

Maintenance and Insurances: The Issuer shall provide for reasonable and satisfactory maintenance and insurance of the Security Vessels and all relevant equipment related thereto at all times, hereunder to retain the Security Vessels in class. During operation of the Security Vessels, the Issuer shall ensure that the Vessel Manager runs proper maintenance of the Security Vessels. The Security Vessels shall also be adequately insured. The insurance value of each Security Vessel shall be at least equal to the Market value of that Security Vessel. The aggregate insurance value for the Security Vessels shall be at least 120% of the outstanding amount under the Finance Documents. The hull and machinery insurance for each Security Vessel shall cover at least 80% of the Market Value of that Security Vessel, and the Security Vessels shall further inter alia be insured against war risk and have a third party liability insurance as per industry standards, as well as any additional insurance required under any other contracts.

The Issuer shall keep a Mortgagee Interest Insurance and Mortgagee Additional Perils Insurance or similar insurance.

The insurances and Loss Payee Clause shall be in accordance with the Nordic Marine Insurance Plan or other insurances with at least similar terms.

Use of Excess Cash: Excess Cash may be used for:

(i) redemption of up to USD 10 million of Bonds during each 12 month period from the Issue Date, at 100% of par value (plus accrued interest on redeemed amount) Subject to each redemption being made on an interest payment date and in a minimum amount of USD 5 million; and/or

(ii) acquisition of Additional Vessels, provided that the Asset Cover Ratio immediately after such acquisition is above 165%.

Excess Cash: Means any cash standing on the Reserve Account above USD 12.5 million.

Mandatory Prepayment: Upon a Mandatory Prepayment Event (other than a Total Loss Event) occurring the Issuer shall, on or about the day the Issuer is receiving the proceeds following the relevant Mandatory Prepayment Event, redeem Bonds equivalent to the Redemption Amount (as defined below) at the following redemption prices:

(i) From the Settlement Date to, but not including, the day falling 18 months after Settlement Date, at a price equal to the sum of:

a) the present value on the relevant record date of [104]% of the par value as if such payment originally should have taken place on the interest payment day falling 18 months after the Settlement Date; and

b) the present value on the relevant record date of the remaining coupon payments (less any accrued but unpaid interest) through and including the interest payment day falling 18 months after the Settlement Date,

both calculated by using a discount rate of 50 basis points over the comparable U.S. Treasury Rate (i.e. comparable to the remaining duration of the Bonds until the mentioned interest payment day 18 months after Settlement Date) (plus accrued interest on redeemed amount) and where “relevant record date” shall mean a date agreed upon between the Trustee, the Paying Agent, VPS and the Issuer in connection with the such repayment;

(ii) if occurring anytime from and including the interest payment day falling 18 months after Settlement Date to, but not including, the interest payment day falling 24 months after Settlement Date at a price equal to [104]% of par value (plus accrued interest on redeemed amount);

(iii) if occurring anytime from and including the interest payment day falling 24 months after Settlement Date to, but not including, the interest payment day falling 30 months after Settlement Date at a price equal to [102 2/3]% of par value (plus accrued interest on redeemed amount);

(iv) if occurring anytime from and including the interest payment day falling 30 months after Settlement Date to, but not including, the Final Maturity Date at a price equal to [101 1/3]% of par value (plus accrued interest on redeemed amount);

For the avoidance of doubt, the redemption price shall be determined based on the date the Mandatory Prepayment Event occurred and not based on the date the repayment is carried out.

Upon a Total Loss Event, the Issuer shall as soon as insurance proceeds are available and in any event no later than 120 days following the Total Loss Event redeem Bonds equivalent to the Redemption Amount at 100% of par value (plus accrued interest on redeemed amount).

Proceeds received in relation to a sale or disposal of any of the Security Vessels or Vessel Owners, net of (i) the relevant Redemption Amount, and (ii) any fees or expenses related to the sale (the "**Surplus Amount**") shall be transferred to the Reserve Account.

Mandatory Prepayment Event: If (a) any of the Security Vessels or Vessel Owners are sold or disposed of (b) expropriation or act of piracy of a Security Vessel (to the extent not a Total Loss Event and in the case of a act of piracy, provided always that such act of piracy event shall have continued for a period of more than 180 calendar days) or (c) there is an actual or constructive total loss of a Security Vessel (a “**Total Loss Event**”).

Redemption Amount:

$$\frac{\text{Market Value of Security Vessel(s) sold or disposed of}}{\text{Market Value of all Security Vessels prior to sale}} \times B \times 120\%$$

based on Market Value valuations not more than 30 days old (measured from the date of the relevant Mandatory Prepayment Event),

where *B* is the aggregate principal amount of outstanding bonds at the time of redemption.

Where a Vessel Owner is sold, "Security Vessel" shall for the purposes of this formula mean the Security Vessel owned by that Vessel Owner.

Disposal of Security Vessels: Any disposal of a Vessel Owner shall be conditional upon the Issuer receiving satisfactory evidence that all claims from that Vessel Owner against any Issuer Group Company have been irrevocably cancelled in full. Upon the disposal of a Vessel Owner or Security Vessel and (i) prepayment pursuant to the Mandatory Prepayment provisions and (ii) payment of the Surplus Amount to the Reserve Account (subject to closing mechanics satisfactory to the Trustee) the Trustee shall, upon request and at the Issuer's cost, release the Security held relating solely to the asset sold, save for any Assignment of Intragroup Debt.

Event of Default: The Bond Agreement shall include standard remedy and event of default provisions, including remedy periods and cross default provisions against the Parent, Issuer and each Vessel Owning Company with an aggregate threshold of USD 5 million. The Finance Documents will contain waterfall provisions in case of partial payments i.e. first to cover costs, fees and expenses of the Trustee (the “**Trustee Expenses**”) and thereafter any other outstanding amounts under the Finance Documents. In case the Issuer does not pay the Trustee for incurred fees, then the Trustee may seek funding of the Trustee Expenses from bondholders or, failing them, other sources, in which case such other sources will be subrogated into the position of the Trustee, but subordinate to any further Trustee expenses.

Material Adverse Effect:	Means a material adverse effect on: (a) the financial condition or operations of the Issuer, any Vessel Owning Company or the Parent, (b) the Issuer's, Parent's or a Vessel Owning Company's ability to perform and comply with its obligations under the Finance Documents and the Project Documents, or (c) the validity or enforceability of any Finance Document.
Financial Indebtedness:	Means any indebtedness incurred in respect of moneys borrowed (including acceptance credit); any bond, note, debenture, loan stock or other similar instrument; the amount of any liability in respect of any lease, hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease; receivables sold or discounted (other than any receivables sold on a non-recourse basis); any sale and lease-back transaction, or similar transaction which is treated as indebtedness under GAAP; the acquisition cost of any asset to the extent payable after its acquisition or possession by the party liable where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset; any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price, including without limitation currency or interest rate swaps, caps or collar transactions (and, when calculating the value of the transaction, only the mark-to-market value shall be taken into account); any amounts raised under any other transactions having the commercial effect of a borrowing or raising of money, whether recorded in the balance sheet or not (including any forward sale of purchase agreement); any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institutions; and (without double counting) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any of the items referred to above.
Offering Memorandum	Means the offering memorandum prepared by the Issuer and distributed through the Manager in connection with the Bond Issue, dated 6 March 2014.
GAAP:	Generally accepted accounting principles in the United States of America
Change of Control clause:	Upon a Change of Control Event occurring, each bondholder shall have a right of pre-payment (Put Option) of the Bonds at a price of 101% of par value (plus accrued interest) during a period of 60 calendar days following the notice of a Change of Control Event.
Change of Control Event:	Means an event where (i) the Parent ceases to maintain 100% direct ownership in the Midco, (ii) Midco ceases to maintain 100% direct ownership in the Issuer, or (iii) Riverstone ceases to maintain an aggregate direct and indirect (through controlling companies) ownership of minimum a) 50.1% of the Parent before a stock exchange listing of the Parent's shares, or b) 34% after a stock exchange listing of the Parent's shares.
Project Documents:	Means: (i) Management Agreements; (ii) Pool Agreements; (iii) Technical Management Agreement; and (iv) any Charter Contract with a duration of more than 12 months.
Finance Documents:	Means: (i) the Bond Agreement; (ii) the Security Documents; (iii) the Trustee's fee letter; and (iv) any other document the Issuer and the Trustee agree to be a Finance Document.

Approvals:	The Bonds will be issued in accordance with the Issuer's board approval.
Issuer's ownership of Bonds:	The Issuer has the right to acquire and own Bonds. Such Bonds may at the Issuer's discretion be retained by the Issuer, sold or discharged.
Manager:	DNB Bank ASA, DNB Markets, NO-0191 Oslo, Norway.
Trustee:	Norsk Tillitsmann ASA, Postboks 1470 Vika, 0116 Oslo.
Governing Law:	Norwegian.
Registration:	The Norwegian Central Securities Depository ("VPS"). Principal and interest accrued will be credited the bondholders through VPS.
Paying Agent:	DNB Bank ASA.
Taxation:	The Issuer shall pay any stamp duty and other public fees accruing in connection with issuance of the Bonds or the Security Documents, but not in respect of trading of the Bonds in the secondary market (except to the extent required by applicable laws), and the Issuer shall deduct before payment to the bondholders at source any applicable withholding tax payable pursuant to law, subject to standard gross-up and call provisions.
Bond Agreement:	The Bond Agreement will be entered into by the Issuer and the Trustee acting as the bondholders' representative, and it shall be based on Norwegian standard. The Bond Agreement shall regulate the bondholders' rights and obligations with respect to the Bonds. If any discrepancy should occur between this Term Sheet and the Bond Agreement, then the Bond Agreement shall prevail. The Bond Agreement shall include provisions where after repayment of principal amount upon default shall be equal to the Mandatory Prepayment provided for above. The subscriber is deemed to have granted authority to the Trustee to finalize the Bond Agreement and the Security Documents. Although minor adjustments to the structure described in this Term Sheet may occur, the provisions in the Bond Agreement will be substantially consistent with those set forth in this Term Sheet. The Application Form specifically authorises the Trustee to execute and deliver the Bond Agreement on behalf of the prospective bondholders, who will execute and deliver such Application Forms prior to receiving Bond allotments. On this basis, the Issuer and the Trustee will execute and deliver the Bond Agreement and the latter's execution and delivery is on behalf of all of the subscribers, such that they thereby will become bound by the Bond Agreement. The Bond Agreement specifies that all Bond transfers shall be subject to the terms thereof, and the Trustee and all Bond transferees shall, when acquiring the Bonds, be deemed to have accepted the terms of the Bond Agreement, which specifies that all such transferees shall automatically become bound by the Bond Agreement upon completed transfer having been registered in the VPS, without any further action required to be taken or formalities to be complied with. The Bond Agreement shall specify that it shall be made available to the general public for inspection purposes and may, until redemption in full of the Bonds, be obtained on request by the Trustee or the Issuer, and such availability shall be recorded in the VPS particulars relating to the Bonds. The Manager has appointed external counsel to draft and/or review the Finance Documents. Upon appointment of the Trustee the external counsel will be acting upon instruction of the Trustee.
Listing of Bonds:	The Issuer intends to list the Bonds on the Nordic ABM.
Market making:	No market-maker agreement has been made for this Issue.
Eligible purchasers:	The Bonds shall only be offered to non-"U.S. persons" in "offshore transactions" within the meaning of Rule 902 under the U.S. Securities Act of 1933, as amended

	("Securities Act") except for "Qualified Institutional Buyers" ("QIBs") within the meaning of Rule 144A under the Securities Act. In addition to the Application Form that each investor will be required to execute, each U.S. investor that wishes to purchase Bonds will be required to execute and deliver to the Issuer a certification in a form to be provided by the Issuer stating, among other things, that the investor is a QIB. The Bonds may not be purchased by, or for the benefit of, persons resident in Canada. The Bond Agreement will contain customary terms and provisions for a U.S. Rule 144A or Regulation S placement.
Transfer restrictions:	Bondholders will not be permitted to transfer the Bonds except (a) subject to an effective registration statement under the Securities Act, (b) to a person that the bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) an offshore transaction in accordance with Regulation S under the Securities Act, including, in a transaction on the Oslo Børs, and (d) pursuant to any other exemption from registration under the Securities Act, including Rule 144 there under (if available). The Bonds may not, subject to applicable Canadian laws, be traded in Canada for a period of four months and a day from the date the Bonds were originally issued.
Subject to:	The issue of Bonds shall be subject to approval of the loan documentation by the Issuer's board and the Trustee.

Oslo, 6 March 2014

Ridgebury Crude Tankers LLC

As Issuer

DNB Markets

As Manager

Schedule 1

APPROVED BROKERS

Clarksons Valuations Limited
Fearnleys A.S.
Maersk Broker K.S.
Poten & Partners, Inc.
R.S. Platou A.S.A.
Maritime Strategies International Ltd.

Schedule 2

ORIGINAL VESSELS

Vessel Owner:	Organisation no.	Security Vessel:	Fair Market Value[1]:
Ridgebury Alpha LLC	961542	Ridgebury Lessley B	USD 62,250,000
Ridgebury Romeo LLC	962712	Rio Genoa to be renamed Nicholas A at delivery to the Issuer	USD 41,750,000
Ridgebury Whiskey LLC	962748	Ridgebury John Zipser	USD 47,750,000
Ridgebury Sierra LLC	962866	Elisewin, to be renamed Ridgebury Astari at delivery to the Issuer	USD 25,750,000
Ridgebury Tango LLC	962881	Prisco Mizar, to be renamed Ridgebury Captain Drogin at delivery to the Issuer	USD 39,800,000
Ridgebury Uniform LLC	962880	Ice Explorer, to be renamed Ridgebury Mary Selena at delivery to the Issuer	USD 41,000,000
Ridgebury Victor LLC	962883	Ice Traveller, to be renamed Ridgebury Lindy B at delivery to the Issuer	USD 44,000,000

[1] Average fair market valuations for Ridgebury Lessley B, Rio Genoa Elisewin and Ridgebury Zipser. Acquisition price for Prisco Mizar, Ice Explorer and Ice Traveller.