

# INFORMATION CONCERNING LEGAL PROVISIONS OF RELEVANCE FOR INVESTORS

## 1. INTRODUCTORY

Golden Ocean Group Limited (the "Company") is a limited company incorporated under the laws of Bermuda. The Company is primary listed on the NASDAQ Global Select Market ("NASDAQ") and secondary listed on the Oslo Stock Exchange ("OSE").

Being listed on OSE, the Company is subject to the majority of the provisions of the Norwegian; Stock Exchange Act, Securities Trading Act, Stock Exchange Regulations and Securities Trading Regulations as they apply at any time, as well as OSE's continuing obligations of listed companies.

Thus, the Company is subject to Norwegian regulations on takeover and shareholding disclosure, including supervision by OSE on takeover bids. These topics will be addressed in this summary.

Bermudian law, including the Company's bye-laws, will be addressed in connection with compulsory acquisition (squeeze-out right and sell-out right) as Norwegian law does not apply in this regard.

Please be advised that this summary is based on rules and regulations as they exist as of the date set out below. It does not purport to be a comprehensive description of all the legal rights and obligations that may be relevant to the shareholders in the Company. For instance one must bear in mind that the Company is also subject to additional Bermudian and Norwegian requirements, which will not be addressed in this summary, such as periodic information and obligations to prepare prospectus.

The information in this summary is subject to change without notice.

## 2. HOME STATE

The Company's "home state" in relation to the requirements for periodic information disclosure according to the Norwegian Securities Trading Act section 5-4, disclosure requirements of acquisitions of large shareholdings, rights to shares and voting rights section 4-2, obligations to prepare prospectus section 7-7(4), cf. section 7-9 is Norway.

## 3. NORWEGIAN TAX EXEMPTION

As a main rule, income from shares received by Norwegian taxpayers is taxable as ordinary income, currently at a rate of 27 %. Subject to certain conditions, Norwegian corporate shareholders in companies entitled to use the exemption method are, in general, exempt from taxation of income from the shares, cf. section 2-38 of the Norwegian Taxation Act. Similarly, losses on the shares are not tax deductible.

Since the Company is not an EEA-resident, but rather a resident of Bermuda for tax purposes, this exemption does not apply to income from shares in the Company.

## 4. TAKEOVER REGULATION

### 4.1 Overview

Norwegian takeover regulation is applicable to the Company. The relevant rules are set out in chapter 6 of the Norwegian Securities Trading Act and chapter 6 of the Norwegian Securities Regulations.

Translation into English of the full text of this legislation is available at the web sites listed below:

The Norwegian Securities Trading Act:

[http://www.finanstilsynet.no/archive/stab\\_pdf/01/04/10200042.pdf](http://www.finanstilsynet.no/archive/stab_pdf/01/04/10200042.pdf)

The Norwegian Securities Regulations:

[http://www.oslobors.no/ob\\_eng/Oslo-Boers/Regulations/Regulations](http://www.oslobors.no/ob_eng/Oslo-Boers/Regulations/Regulations)

Norway has implemented the EU Takeover Directive (Directive 2004/25/EC). The takeover supervisory authority is OSE.

The Norwegian takeover rules distinguish between voluntary and mandatory offers. A voluntary offer is an offer that, if accepted by the recipients of the offer, triggers a mandatory offer obligation for the bidder. A mandatory offer for the remaining shares in the Company is triggered if the bidder (either through a voluntary offer or otherwise) becomes owner of more than 1/3 of the voting rights in the Company (with repeat triggers at 40% and 50%).

## 4.2 Mandatory offer requirement

### 4.2.1 Threshold

Any person, entity or consolidated group who becomes the owner of shares representing more than 1/3 of the voting rights in the Company (with repeat triggers at 40% and 50%) must within four weeks, make an unconditional general offer for the purchase of the remaining shares in the Company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares which together with the party's own shareholding represent more than 1/3 of the voting rights in the Company and the take-over supervisory authority decides that this must be regarded as an effective acquisition of the shares in question.

### 4.2.2 Disposal of shares

The mandatory offer obligation ceases to apply if the shareholder sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

### 4.2.3 Announcement

When a mandatory offer obligation has been or will be triggered, the relevant shareholder shall immediately notify the Takeover Supervisory Authority (who will publish the notice) and the Company accordingly. The notification shall state whether an offer will be made to acquire the remaining shares in the Company or whether a sale will take place. As a main rule, a notification to the effect that an offer will be made cannot be retracted.

### 4.2.4 Approval by the Takeover Supervisory Authority

The offer and the offer document are subject to approval by the Takeover Supervisory Authority before the formal offer is launched.

### 4.2.5 The offer price

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. However, if it is clear that the market price was higher when the mandatory offer obligation was triggered, the offer price shall be at least as high as the market price. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

#### 4.2.6 Sanctions

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, the Takeover Supervisory Authority may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the Company, such as voting in a general meeting of shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise the right to dividend and pre-emption rights.

#### 4.3 Voluntary Offers

##### 4.3.1 Announcement

A decision to make a voluntary offer must be notified to the Takeover Supervisory Authority and the Company once the decision is made and shall be published by the Takeover Supervisory Authority. The voluntary offer must be made within reasonable time following a decision to make the offer.

##### 4.3.2 The consideration

The offeror may offer consideration in the form of cash, securities, a combination of cash and securities or other forms of consideration.

##### 4.3.3 Conditions

Completion of the offer may be made subject to conditions.

##### 4.3.4 Approval by the Takeover Supervisory Authority

The offer and the offer document required are subject to approval by the Takeover Supervisory Authority before the offer is submitted to the shareholders or made public.

##### 4.3.5 Subsequent mandatory offer and/or compulsory acquisition

If completion of a voluntary offer triggers a mandatory offer obligation for the offeror, then a mandatory cash offer for the remaining outstanding shares must be made. However, if the offeror holds more than 90% of the shares and votes in the Company following a voluntary offer, a squeeze-out of the remaining minority shareholders can be carried out without a preceding mandatory offer.

#### 4.4 Compulsory acquisition

Under Bermuda law, an acquiring party is generally able to acquire compulsorily the common shares of minority holders in the following ways:

By a procedure under the Companies Act known as a "scheme of arrangement". A scheme of arrangement could be effected by obtaining the agreement of the company and of holders of common shares, comprising in the aggregate a majority in number representing at least 75 percent in value of the shareholders (excluding shares owned by the acquirer) present and voting at a meeting ordered by the Bermuda Supreme Court held to consider the scheme of arrangement. Following such approval by the shareholders, the Bermuda Supreme Court may then sanction the scheme of arrangement. If a scheme of arrangement receives all necessary agreements and sanctions, upon the filing of the court order with the Registrar of Companies in Bermuda, all holders of common shares could be compelled to sell their shares under the terms of the scheme of arrangement.

Where a company (the "Acquiring Party") makes an offer in a scheme or contract for shares or class of shares in a company and the Acquiring Party receives acceptances, pursuant to the offer, for not less than 90 percent of the shares in issue (other than those already held by the Acquiring Party, its subsidiary or by a nominee for the Acquiring Party or

its subsidiary as at the date of the offer) the Acquiring Party may, at any time within two months from the date the acceptance was obtained, give notice to any dissenting shareholder that it wishes to acquire his shares on the same terms as the original offer. The dissenting shareholders could be compelled to transfer their shares unless the Bermuda Supreme Court (on application made within a one-month period from the date of the offeror's notice of its intention to acquire such shares) orders otherwise.

The holders of not less than 95 percent of the shares or any class of shares of a company (the "Purchasers"), may give a notice to the remaining shareholders of the intention to acquire the shares of such remaining shareholders on the terms set out in the notice. When this notice is given, the Purchasers are entitled and bound to acquire the shares of the remaining shareholders on the terms set out in the notice, unless a remaining shareholder, within one month of receiving such notice, applies to the Bermuda Supreme Court for an appraisal of the value of their shares. This provision only applies where the Purchaser offer the same terms to all holders of shares whose shares are being acquired.

Where a takeover is structured as a statutory amalgamation or merger, and the terms and conditions of the amalgamation or merger (including the proposed consideration for the transaction) have been approved by the requisite majority of shareholders, then all shareholders are bound by the decision of the requisite majority. The requisite majority is 75 percent of the votes cast, unless the bye-laws provide for a different majority. The Company's bye-laws have reduced the requisite majority to a simple majority of the votes cast. If the result of the amalgamation or merger transaction will be that shareholders of one of the amalgamating or merger companies will receive a cash payment only, and will not receive shares in the amalgamated or merger company, then shareholders who did vote for the amalgamation or merger will be frozen out, although they may apply to the Bermuda court to appraise the value of their shares.

## 5. SHAREHOLDING DISCLOSURE OBLIGATIONS

### 5.1 Overview

Shareholding disclosure obligations applicable to shares in the Company are regulated by sections 4-2 and 4-3 of the Norwegian Securities Trading Act and chapter 4 of the Norwegian Securities Regulations.

Translation into English of the full text of this legislation is available at the web sites listed below:

The Norwegian Securities Trading Act

[http://www.finanstilsynet.no/archive/stab\\_pdf/01/04/10200042.pdf](http://www.finanstilsynet.no/archive/stab_pdf/01/04/10200042.pdf)

The Norwegian Securities Regulations

[http://www.oslobors.no/ob\\_eng/Oslo-Boers/Regulations/Regulations](http://www.oslobors.no/ob_eng/Oslo-Boers/Regulations/Regulations)

### 5.2 The thresholds for disclosure

If a person's, entity's or consolidated group's proportion of shares and/or rights to shares in the Company reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of the company, the person, entity or group in question has an obligation to notify OSE immediately, who will publish the notice. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

### 5.3 Notification

Notifications shall be made immediately following agreement on the transaction and can be sent to OSE by e-mail: [ma@oslobors.no](mailto:ma@oslobors.no), who will publish the notice. Notifications that have been published are available at [www.newsweb.no](http://www.newsweb.no).

#### 5.4 Additional requirements for primary insiders

There are additional disclosure obligations for so-called primary insiders in the Company (i.a. management, directors and shareholders represented on the board), regardless of the number of shares held.

#### 5.5 Circular 28/2011 - Securities Trading Act – comments to Chapter 3 and Chapter 4

The shareholding disclosure obligations are supervised by the Financial Supervisory Authority of Norway (the "FSAN"). The FSAN has published a detailed circular that addresses a number of different issues of the shareholding disclosure obligations (Circular 28/2011 Securities Trading Act – comments to Chapter 3 and Chapter 4.) The circular in translation into English is available at:

[http://www.finanstilsynet.no/Global/English/Circulars/Circular\\_28\\_2011.pdf](http://www.finanstilsynet.no/Global/English/Circulars/Circular_28_2011.pdf)

Hamilton, Bermuda,

9 December 2015