

# SECURITIES AND EXCHANGE COMMISSION

## FORM SC 13D

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities

Filing Date: **1994-05-13**  
SEC Accession No. **0000950172-94-000086**

([HTML Version](#) on [secdatabase.com](#))

### SUBJECT COMPANY

#### READING & BATES CORP

CIK: **82329** | IRS No.: **730642271** | State of Incorporation: **DE** | Fiscal Year End: **1231**  
Type: **SC 13D** | Act: **34** | File No.: **005-31065** | Film No.: **94528207**  
SIC: **1381** Drilling oil & gas wells

Mailing Address  
*PO BOX 79627  
HOUSTON TX 77279-9627*

Business Address  
*901 THREADNEEDLE STE 200  
HOUSTON TX 77079  
7134965000*

### FILED BY

#### DEN NORSKE BANK AS

CIK: **923121** | State of Incorporation: **NY** | Fiscal Year End: **1231**  
Type: **SC 13D**

Mailing Address  
*SKADDEN ARPS  
919 THIRD AVE  
NEW YORK NY 10022*

Business Address  
*STRANDEN 21, 0250  
OSLO 2*

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934  
(Amendment No. 2)

Reading & Bates Corporation

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(Name of Issuer)

Common Stock

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(Title of Class and Securities)

755281 80 5

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(CUSIP Number of Class of Securities)

Den norske Bank AS, Corporate Division, Shipping/Aviation Section,  
Stranden 21, 0250 Oslo 2, Norway, Attention: Tony Samuelson, First VP  
011-47-22-48-10-50

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(Name, Address and Telephone Number of Person Authorized  
to Receive Notices and Communications)

Copy to:

Eduardo R. Vidal  
Skadden, Arps, Slate, Meagher & Flom  
919 Third Avenue  
New York, New York 10022  
(212) 735-3000

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May 12, 1994

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(Date of Event which Requires  
Filing of this Statement)

If the filing person has previously filed a statement on  
Schedule 13G to report the acquisition which is the  
subject of this Statement because of Rule 13d-1(b) (3) or  
(4), check the following: ( )

Check the following box if a fee is being paid with this Statement: ( )

SCHEDULE 13D

CUSIP No. 755281 80 5

Den norske Bank AS

(1) NAME OF REPORTING PERSONS  
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:  
(a) ( )  
(b) (x)

(3) SEC USE ONLY

00

(4) SOURCE OF FUNDS\*

(5) CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

Norway

(6) CITIZENSHIP OR PLACE OF ORGANIZATION

5,223,540 (disclaimed)

(7) SOLE VOTING  
16,382,890 (disclaimed)

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

(8) SHARED VOTING POWER  
5,223,540 (disclaimed)

(9) SOLE DISPOSITIVE  
0

(10) SHARED DISPOSITIVE POWER  
16,382,890 (disclaimed)

(11) AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

(12) CHECK BOX IF THE AGGREGATE AMOUNT IN ROW 11 EXCLUDES CERTAIN SHARES\* ( )

29.5%

(13) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11

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(14) TYPE OF REPORTING PERSON\*

ITEM 2. IDENTITY AND BACKGROUND.

The name of the filer is Den norske Bank AS, a Norwegian bank (the "Filer"). As described in the Filer's Schedule 13D filed August 3, 1993 (the "Initial Schedule 13D"), the Filer has outstanding loans (the "Loans") to Dedicated Holdings Ltd., a Liberian corporation ("DHL" and, individually, the "DHL Loan"), Financial Investments Ltd., a Liberian corporation ("FIL"), and Life Line Investments Ltd., a Liberian corporation ("LLI" and, together with DHL and FIL, the "Borrowers"), which owned (prior to the transactions described herein) 2,099,180, 1,464,544 and 3,758,996, respectively, shares of Reading & Bates Corporation's ("R&B") common stock (collectively, the "Pledged R&B Stock"). Each Loan is secured by the Pledged R&B Stock owned by the Borrower thereof.

The Initial Schedule 13D indicated that, as a result of certain currently existing defaults in respect of the Loans, the Filer has the right to foreclose upon and/or take ownership of, all or some of the Pledged R&B Stock and, from time to time thereafter, sell all or any portion of such stock.

The Filer is filing this amendment to the Initial Schedule 13D to reflect that, pursuant to the exercise of such rights, the Filer has, in substantially simultaneous transactions effected on May 12, 1994, obtained ownership, pursuant to the Settlement Agreement (as defined below), of the 2,099,180 shares of R&B common stock pledged by DHL as security for the DHL Loan and sold such common stock in a brokered transaction on the New York Stock Exchange.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

As described in the Initial Schedule 13D, the Filer acquired its initial interest in the Pledged R&B Stock as security for the Loans. In acquiring temporary ownership of the R&B common stock pledged by DHL, the source of the Filer's funds was the satisfaction of DHL's obligations under the DHL loan, including the obligation to pay to the Filer the principal amount of the loan, accrued and unpaid interest thereon, and other amounts payable to the Filer in respect thereof.

ITEM 4. PURPOSE OF TRANSACTION.

As described in the Initial Schedule 13D, the Filer has acquired its direct and indirect security interests in the

Pledged R&B Stock solely as security for loans made by the Filer to the Borrowers and the Borrowers' affiliate's in the ordinary course of the Filer's business. As a consequence of the defaults on the DHL Loan, and for the sole purpose of obtaining repayment thereof, the Filer has, as indicated in Item 2 hereof, obtained ownership of, and sold, the R&B common stock pledged by DHL as security for the DHL Loan. In addition, because of existing defaults on the Loans to LLI and FIL, the Filer may foreclose upon all or some of its remaining security interests at any time (including, without limitation, by taking ownership of all or some of the R&B common stock pledged by LLI and FIL), and may, from time to time thereafter, sell all or any portion of such common stock transferred to the Filer.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

The Filer does not directly own any shares of R&B common stock. As indicated in Item 2, immediately upon acquiring the R&B common stock pledged by DHL, the Filer sold such shares in a brokered transaction on the New York Stock Exchange on May 12, 1994. The transfer of the R&B common stock from DHL to the Filer was effected through a settlement agreement, dated as of May 12, 1994 (the "Settlement Agreement"), between the Filer and DHL.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

The following document has been filed herewith as Exhibits hereto:

The Settlement Agreement, dated as of May 12, 1994, between the Filer and DHL.

\* \* \*

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: May 13, 1994

Signature:

DEN NORSKE BANK AS

By: \_\_\_\_\_

Tony Samuelsen,  
First Vice President

Exhibit Index

Exhibit No.                      Exhibit

Settlement Agreement, dated as  
May 12, 1992, between DHL and  
Den norske Bank AS

## SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT dated as of May 12, 1994 (this "Agreement") between DEDICATED HOLDINGS LTD., a Liberian corporation (the "Borrower"), and DEN NORSKE BANK AS (the "Lender").

### R E C I T A L S:

WHEREAS, pursuant to the Credit Agreement dated as of April 16, 1993 (the "Credit Agreement") between the Borrower and the Lender, the Lender made a loan to the Borrower in an aggregate original principal amount of US\$4,945,894.76 (the "Loan");

WHEREAS, on September 5, 1994 the Lender delivered a letter to the Borrower to the effect that Events of Default under the Credit Agreement had occurred and were continuing pursuant to (a) Section 9.01(a) of the Credit Agreement as a result of the failure of the Borrower to pay on July 31, 1993 accrued and unpaid interest on the Loan and accrued and unpaid Supplemental Interest (as defined in the Credit Agreement) on such interest pursuant to Section 3.03 of the Credit Agreement, (b) 9.01(d) of the Credit Agreement as a result of certain defaults by the Guarantor and certain other Blystad Affiliates in the payment when due of certain of their respective Indebtedness, and (c) pursuant to Section 9.01(e) of the Credit Agreement as a result of the commencement of a proceeding under Insolvency Laws in respect of Rederi A/S Mimer (collectively, the "Initial Events of Default");

WHEREAS, the Loan has become due and payable in accordance with the terms of the Credit Agreement; and

WHEREAS, the Borrower is unable to repay the Loan, accrued and unpaid interest thereon, accrued and unpaid Supplemental Interest on such interest, interest that has accrued from time to time under the Credit Agreement on the foregoing amounts at the Default Rate (as defined in the Credit Agreement), or any and all other outstanding obligations owed to the Lender under the Credit Agreement (including, without limitation, attorney's fees and disbursements and other costs and expenses incurred by the Lender in connection with the enforcement and preservation of its rights and remedies);

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, and subject to and upon the terms and conditions hereinafter set forth, the parties hereto hereby agree as follows:

Section 1. Definitions. Each capitalized term used herein which is not otherwise defined herein shall have, unless the context or otherwise requires, the meaning specified for such term in the Credit Agreement (whether by reference to another Credit Document or otherwise).

Section 2. Terms of Settlement.

(a) Satisfaction of Obligations. Subject to the other provisions of this Section 2 and in accordance with Section 9-505(2) of the Uniform Commercial Code as in effect in the State of New York: (i) the Borrower, in complete satisfaction of the Borrower's obligation to pay to the Lender the outstanding principal amount of the Loan, accrued and unpaid interest thereon, accrued and unpaid Supplemental Interest on such interest and all of the other Obligations (including, without limitation, the cost and expenses of the Lender and its counsel in connection with this Agreement and the consummation of the transactions contemplated hereby), hereby transfers, assigns and conveys to the Lender all of the Borrower's right, title and interest in, to and under the Pledged Shares and the Assigned Documents described on Schedule 1 hereto (collectively, the "Relevant Collateral"), including, without limitation, the right of the Borrower under the Distribution Agreement to request BCL to initiate a Holders Sale Event (as defined in the Registration Rights Agreement) pursuant to Section 4.4(b) of the Registration Rights Agreement; and (ii) the Lender shall retain, and hereby accepts, the Relevant Collateral in satisfaction of all of the Obligations. In furtherance of the foregoing, the Borrower hereby irrevocably authorizes the Lender, and hereby irrevocably appoints the Lender as its attorney-in-fact, coupled with an interest and with full power of substitution and full power to act alone in the place and stead of the Borrower, to, from time to time, in its own name or in the name of the Borrower, execute and deliver all such instruments and other documents, make such filings and take all such other actions as the Lender deems necessary or advisable in order to consummate the foregoing transfer, assignment and conveyance (including, without limitation, the completion



by the Lender of the stock power delivered to the Lender in respect of the Pledged Shares pursuant to the Pledge Agreement, the tender of such stock power and the stock certificates representing the Pledged Shares to R&B and the transfer agent of the Pledged Shares for the purpose of obtaining new stock certificates for the Pledged Shares in the name of the Lender or any other Person designated by the Lender, the delivery of such notices, opinions and other documents to R&B and such transfer agent under the Registration Rights Agreement as may be desirable for the Lender to effectively obtain, in accordance with the terms thereof, the rights of the Borrower thereunder and the re-registration of the Pledge Shares in the name of the Lender).

(b) Certain Waivers by the Borrower. The Borrower hereby waives and renounces any and all rights it has, whether in equity, at law or otherwise (including, without limitation, under Section 9-505(2) of the Uniform Commercial Code as in effect in the State of New York), to (i) redeem any or all of the Relevant Collateral or any portion thereof, and (ii) receive any of the proceeds from any sale, transfer, assignment or other disposition of any of the Relevant Collateral or any portion thereof, even if such proceeds exceed the aggregate outstanding amount of the Obligations immediately prior to giving effect to the settlement contemplated hereby.

(c) Survival of Representations, Indemnities, Etc. Notwithstanding anything to the contrary contained herein, all warranties, representations and indemnities made by the Borrower herein or in any Credit Document shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

(d) Reinstatement of Obligations. Notwithstanding anything to the contrary contained herein, in the event the transfer, assignments, conveyance and retention of all or any of the Relevant Collateral to and by the Lender pursuant to the terms hereof is subsequently invalidated, declared to be fraudulent or preferential or set aside, or in the event the Lender is required to re-transfer to the Borrower or any other Person any of the Relevant Collateral or pay to the Borrower or any other Person any proceeds from the Relevant Collateral received at any time by the Lender, in any such case under any Insolvency Law or other federal, state or foreign law, common law or equitable cause, then the Obligations (including, without

limitation, the obligation of the Borrower to immediately repay the Loan) shall be reinstated, automatically as of the date hereof, (i) in the case of any such re-transfer of any of the Relevant Collateral, in full, and (ii) in the case of any such payment, to the extent of the amount of such payment.

Section 3. Further Assurances. In case at any time on or after the date hereof any further action is necessary or desirable in order to carry out the terms and purposes of this Agreement, each party hereto shall promptly take all such actions (including, without limitation, the execution, delivery and/or filing of such further instruments and documents) as the other party hereto may reasonably request for such purposes or as otherwise may be necessary or desirable to complete or perfect the transactions contemplated hereby.

Section 4. Covenants and Representations of Lender. The Lender:

(a) agrees for the benefit of the parties to the Registration Rights Agreement that (i) the Lender shall be bound by the terms and provisions of the Registration Rights Agreement, and (ii) the Pledged Shares shall continue to be subject to the terms and provisions of the Registration Rights Agreement in accordance with the terms thereof; and

(b) represents and warrants for the benefit of R&B and the Holders (as such term is defined in the Registration Rights Agreement as in effect on the date hereof) that it is acquiring its interest in the Pledged Shares for its own accounts in satisfaction of the Obligations and not with a view to the distribution thereof or with any present intention of distributing or selling all or any portion thereof other than pursuant to an effective registration statement filed with the United States Securities and Exchange Commission, all without prejudice, however, to the Lender's right at any time lawfully to sell or otherwise dispose of, in accordance with the Registration Rights Agreement, all or any portion of the Pledged Shares. The Lender acknowledges and agrees for the benefit of R&B and the Holders that the Pledged Shares may be sold (which sales, other than pursuant to an effective registration statement filed with the United States Securities and Exchange Commission, are not now contemplated) only if registered pursuant to the Securities Act, if an exemption from registration is available or under circumstances where neither such registration nor such an exemption is

required by law.

Section 5. Miscellaneous.

(a) Binding Effect; Successors and Assigns. This Agreement and all of the terms hereof shall be binding upon, and shall inure to the benefit of and be enforceable by, the parties hereto and their respective successors and permitted assigns; provided that the Borrower may not assign or delegate, as applicable, any of its rights, interests or obligations hereunder to any Person without the prior written consent of the Lender.

(b) Headings Descriptive. The headings of the several sections of the this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

(c) Severability. In case any provision in, or obligation under, this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality, and enforceability of the remaining provisions or obligations under this Agreement, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

(d) Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

(e) Governing Law. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(f) Waiver of Trial by Jury. EACH OF THE BORROWER AND THE LENDER HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SET-OFF, DEMAND, ACTION OR CAUSE OF ACTION (a) ARISING OUT OF OR IN ANY WAY PERTAINING OR RELATING TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THEREWITH, OR (b) IN ANY WAY CONNECTED WITH OR PERTAINING OR RELATED TO OR INCIDENTAL TO ANY DEALINGS OF ANY SUCH PERSONS WITH RESPECT TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR IN

CONNECTION WITH THE TRANSACTIONS RELATED HERETO OR  
THERE TO OR CONTEMPLATED HEREBY OR THEREBY OR THE EXERCISE  
OF ANY SUCH PERSON'S RIGHTS AND REMEDIES HEREUNDER OR  
THEREUNDER, IN ALL OF THE FOREGOING CASES WHETHER NOW  
EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN  
CONTRACT, TORT OR OTHERWISE. EACH SUCH PERSON AGREES  
THAT ANY OF THEM MAY FILE A COPY OF THIS AGREEMENT WITH  
ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY  
AND BARGAINED AGREEMENT BETWEEN SUCH PERSONS IRREVOCABLY  
TO WAIVE TRIAL BY JURY, AND THAT ANY DISPUTE OR  
CONTROVERSY OF ANY KIND WHATSOEVER BETWEEN ANY SUCH  
PERSONS SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT  
JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

IN WITNESS WHEREOF, the parties hereto have  
caused their respective duly authorized officers to  
execute and deliver this Settlement Agreement as of the  
date first above written.

DEDICATED HOLDINGS LTD.

By:

Name:

Title:

DEN NORSKE BANK AS

By:

Name:

Title:

Schedule 1 to  
Settlement Agreement

#### DESCRIPTION OF RELEVANT COLLATERAL

1. 2,099,180 shares of common stock of Reading & Bates Corporation, par value US\$0.05 per share, represented by stock certificate number RB 0480, and such stock certificate.
2. Registration Rights Agreement dated as of March 27, 1991, as amended, by and among Reading & Bates Corporation, BCL Investment Partners, L.P. and certain other holders of shares of common stock of Reading & Bates Corporation.
3. Registration Rights Agreement Notice and Consent dated April 12, 1993 from BCL Investment Partners, L.P., Greenwing Investments, Inc., Serife Investments, N.V., Dedicated Holdings, Ltd., Financial

Investments, Ltd., Life Line Investments, Ltd.,  
RBY, Ltd., N&M Holdings N.V. and Workships  
Intermediaries N.V to Reading & Bates  
Corporation, agreed to as of such date by  
Reading & Bates Corporation.

4. Assignment and Assumption Agreement dated on or about April 20, 1993 among BCL Investment Partners, L.P., Greenwing Investments, Inc., Serife Investments, N.V., Dedicated Holdings, Ltd., Financial Investments, Ltd., Life Line Investments, Ltd., RBY, Ltd., N&M Holdings N.V. and Workships Intermediaries N.V.
  
5. Stockholders Agreement dated on or about April 20, 1993 among BCL Investment Partners, L.P., Greenwing Investments, Inc., Serife Investments, N.V., Dedicated Holdings, Ltd., Financial Investments, Ltd., Life Line Investments, Ltd., RBY, Ltd., N&M Holdings N.V. and Workships Intermediaries N.V.