

**AMENDED AND RESTATED TERMS AND CONDITIONS  
FOR**

**INTER EIENDOM FINANS AS  
SENIOR SECURED FIXED RATE BONDS**

**ISIN: NO0010838964**

**TEMPORARY ISIN: NO0010838972**

**7 May 2020**

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*Other than the registration of the Bonds under Norwegian, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Bonds in any jurisdiction, where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.*

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These terms and conditions (the “**Terms and Conditions**”) have been entered into on 11 December 2018, and amended 7 May 2020 by and between:

- (a) **INTER EIENDOM FINANS AS**, a private limited liability company incorporated under the laws of Norway with Reg. No. 921 461 283 (the “**Issuer**”); and
- (b) **INTERTRUST (NORWAY) AS**, a private limited liability company incorporated under the laws of Norway with Reg. No. 995 460 238 (the “**Trustee**”),

each a “**Party**” and collectively referred to as the “**Parties**”.

The Parties have agreed as follows:

## 1. **DEFINITIONS AND CONSTRUCTION**

### 1.1 **Definitions**

In these terms and conditions (the “**Terms and Conditions**”):

“**Account Operator**” means a bank or other party registered as account operator (Nw. *Kontofører*) with Verdipapirsentralen ASA, Reg. No. 985 140 421, Fred Olsens gate 1, 0152 Oslo (“**VPS**”) through which a Bondholder has opened a Securities Account in respect of its Bonds.

“**Accounting Principles**” means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

“**Adjusted Nominal Amount**” means the Total Nominal Amount less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate, irrespective of whether such person is directly registered as owner of such Bonds.

“**Advance Purchase Agreements**” means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than ninety (90) days after the date of supply, or (b) any other trade credit incurred in the ordinary course of business.

“**Affiliate**” means, in relation to any specified person: (a) any person which is a Subsidiary of the specified person, (b) any person who has Decisive Influence over the specified person (directly or indirectly), and (c) any person which is a Subsidiary of an entity who has Decisive Influence (directly or indirectly) over the specified person.

“**Arranger**” means the arranger for the Initial Bonds and/or the Subsequent Bonds.

“**Blocked Account**” means a bank account in the name of the Issuer held with a reputable Norwegian bank, which shall be pledged on a first priority basis and blocked in favour of the Trustee, representing the Bondholders.

“**Bond Issue**” means the bond issue constituted by the Bonds.

**“Bondholder”** means the person who is registered in the CSD as a directly registered owner or nominee with respect to a Bond.

**“Bondholders’ Committee”** has the meaning set forth in Clause 22 (*Bondholders’ Committee*).

**“Bondholders’ Meeting”** means a meeting among the Bondholders held in accordance with Clause 24 (*Bondholders’ Meeting*).

**“Bonds”** means the debt instruments issued by the Issuer pursuant to these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

**“Bonds Escrow Account”** means a blocked securities escrow account in the name of the Parent, to which the Roll-Over Bonds will be credited. The Bonds Escrow Account shall be pledged to the Trustee on behalf of the holders of Temporary Bonds.

**“Business Day”** means a day other than a Saturday, Sunday or a public holiday in Norway on which the Norwegian Central Bank's and the CSD's settlement systems are open and commercial banks in Norway are open for business.

**“Business Day Convention”** means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (*Modified Following*).

**“Change of Control Event”** means the occurrence of an event or series of events whereby the Parent, directly or indirectly, ceases to control (a) 100% of the shares or votes of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the management board of the Issuer.

**“Condominium Units”** means housing units in joint housing ownerships (Nw. *eiерseksjonssameie*) or community associations (Nw. *borettslag*).

**“Construction Financing”** means any current and future financing provided by reputable commercial banks for the sole purpose of developing a property in the Group.

**“CSD”** means the Issuer's central securities depository and registrar in respect of the Bonds from time to time, initially VPS.

**“CSD Regulations”** means the CSD's rules and regulations applicable to the Issuer, the Trustee and the Bonds from time to time.

**“Debt Instruments”** means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on an Exchange.

**“De-merged Companies”** has the meaning set forth in Clause 8.1.

**“Decisive Influence”** means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or

- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

**“Early Redemption Amount”** means an amount equal to the sum of:

- (a) the Nominal Amount of the redeemed Bonds; and
- (b) the Interest that would have accrued on the redeemed Bonds (but which is unpaid) from (and including) the First Issue Date to (but excluding) the First Call Date,

where the interest rate applied for the remaining interest payments shall equal the Mid-Swap Rate plus the Margin (however so that the interest rate can never fall below the Margin).

**“Encumbered Project Companies”** means:

- (a) NyByen Dronningensgate 17-25 AS, a limited liability company incorporated under the laws of Norway with Reg. No. 919 535 121;
- (b) Grand Holding AS, a limited liability company incorporated under the laws of Norway with Reg. No. 989 594 982; and
- (c) Inter Eiendom Prosjektpartner AS, a limited liability company incorporated under the laws of Norway with Reg. No. 993 467 553.

**“Escrow Account”** means a NOK bank account and opened by the Arranger with a reputable bank, on which the Net Proceeds will be held by the Arranger until the conditions in Clause 7.1 have been fulfilled.

**“Event of Default”** means an event or circumstance specified in Clause 20.1.

**“Exchange”** means:

- (a) the Nordic ABM, a self-regulated marketplace organised and operated by Oslo Børs; or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive (Directive 2004/39/EC) or the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as applicable.

**“Existing Bond Agreement”** means the bond agreement dated 20 September 2017 with respect to the Existing Bonds, entered into between the Parent as issuer and the Trustee as trustee for the Existing Bondholders.

**“Existing Bondholder”** means a holder of Existing Bonds.

**“Existing Bondholders' Roll-Over”** means an offer from the Issuer to the holders of Existing NOK Bonds to participate in the Bond Issue by settlement in kind against their Existing NOK Bonds, and the receipt by such bondholders of accrued but unpaid interest plus a premium, as further described in Clause 5 (*Settlement*).

**“Existing Bonds”** means the bonds with ISIN: NO0010805088 (denominated in NOK, the **“Existing NOK Bonds”**) and ISIN: NO0010805096 (denominated in SEK) issued by the Parent pursuant the Existing Bond Agreement.

**“Existing Shareholder Loans”** means the three existing loans from Tiur Holding AS, Viken Consult AS and Tveter Invest AS to the Parent pursuant to loan agreements dated 30 August 2018.

**“Final Maturity Date”** means, subject to the Issuer's extension option pursuant to Clause 14.1.2, the date falling three (3) years after the First Issue Date or, to the extent such day is not a Business Day, the first following Business Day.

**“Finance Documents”** means these Terms and Conditions, the Security Documents, the Trustee Agreement and any other document designated by the Issuer and the Trustee as a Finance Document (in each case as they may be modified, supplemented or amended from time to time).

**“Financial Indebtedness”** means any indebtedness for or in respect of:

- (a) moneys borrowed (including under any bank financing or Debt Instrument);
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is treated as a finance lease in accordance with the Accounting Principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the applicable accounting principles are met);
- (d) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the applicable Accounting Principles;
- (e) the marked-to-market value of derivative transactions entered into in connection with protection against, or in order to benefit from, the fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (g) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

**“First Call Date”** means the date falling twelve (12) months after the First Issue Date.

**“First Issue Date”** means 13 December 2018.

**“Force Majeure Event”** has the meaning set forth in Clause 33.1.

**“Group”** means the Issuer and all of its Subsidiaries from time to time (each a **“Group Company”**).

**“Guarantee Agreement”** means the on demand guarantee agreement entered into between the Parent and the Trustee, pursuant to which the Parent irrevocably and unconditionally, as principal obligor, guarantees to the Bondholders and the Trustee the punctual performance by the Issuer of the Secured Obligations.

**“Heistad Brygge Project”** means the property project on Fjordgløttveien 23 and 25 in Porsgrunn municipality (gnr./bnr. 68/216).

**“Initial Bonds”** means the Bonds issued on the First Issue Date.

**“Insolvent”** means that a person (i) is unable or admits inability to pay its debts as they fall due, (ii) suspends making payments on any of its debts generally, or (iii) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its center of main interest as such term is understood pursuant to Council Regulation (EC) no. 1346/2000 on insolvency proceedings (as amended).

**“Interest”** means the interest on the Bonds calculated in accordance with Clauses 13.1 to 13.3.

**“Interest Payment Date”** means 13 March, 13 June, 13 September and 13 December of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 13 March 2019 and the last Interest Payment Date shall be the relevant Redemption Date.

**“Interest Period”** means (i) the first Interest Period, being the period from (and including) the First Issue Date to (but excluding) the first Interest Payment Date, and (ii) thereafter, the period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant).

**“Interest Rate”** means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

**“Interest Retention Account”** means a bank account opened by the Issuer with a reputable Norwegian bank, on which an amount equivalent to approx. four months' interest on the Bonds shall be deposited. The Interest Retention Account shall be blocked and pledged in favour of the Trustee (on behalf of the Bondholders), and the account bank shall waive any set-off rights to such account. Amounts deposited on the Interest Retention Account shall only be released and applied for the due payment of Interest in accordance with these Terms and Conditions.

**“Interest Quotation Day”** means, in relation to any period for which Interest Rate is to be determined, the day falling two (2) Business Days before the first day of the relevant Interest Period.

**“ISIN”** means International Securities Identification Number – the identification number of the Bonds.

**“Issue Date”** means the First Issue Date and any subsequent date when Subsequent Bonds are issued.

**“Issuer Intercompany Loans”** means any loan or credit made by the Issuer to any Group Company.

**“Liquidity”** means the free and unencumbered consolidated cash balance of the Parent Group, including any credit balance on the Blocked Account and the Interest Retention Account.

**“Margin”** means 8 per cent.

**“Material Adverse Effect”** means a material adverse effect on (a) the business, financial condition or operations of the Group (taken as a whole) or the Parent, (b) the Group Companies' or the Parent's ability to perform and comply with the Finance Documents, including their payment obligations thereunder or (c) the validity or enforceability of the Finance Documents.

**“Mid-Swap Rate”** means the linearly interpolated Reference Rate in the currency of the Bonds for the actual period on the day falling two (2) Business Days before the notification to the Bondholders and the Trustee in accordance with Clause 14.4.2, or, if such is not quoted, the mid-swap rate for the leading banks in the relevant interbank market, based on the last quoted Reference Rate or mid-swap rate in the currency of the Bonds for the actual period.

**“Net Proceeds”** means the proceeds from the issue of the Initial Bonds or any Subsequent Bonds (as applicable) after deduction has been made for the Transaction Costs.

**“Nominal Amount”** has the meaning set forth in Clause 2.3, subject to any split of the Bonds in accordance with Clause 27.2.12.

**“Norwegian Kroner”** or **“NOK”** means the lawful currency of Norway.

**“Norwegian Limitations Act”** means the Norwegian Limitations Act of 1979 no.18 (Nw. *foreldelsesloven*).

**“Norwegian Securities Register Act”** means the Norwegian Act Securities Register Act of 2002 no. 64 (Nw. *verdipapirregisterloven*).

**“Norwegian Securities Trading Act”** means the Norwegian Securities Trading Act of 2007 no.75 (Nw. *verdipapirhandelloven*).

**“Parent”** means Inter Eiendom AS, a private limited liability company incorporated under the laws of Norway with Reg. No. 922 154 740

**“Parent Group”** means the Parent and all of its Subsidiaries from time to time (each a **“Parent Group Company”**).

**“Parent Intercompany Loans”** means any loan or credit made by the Parent to any Group Company or their Affiliates.

**“Parent’s Operating Account”** means a bank account in the name of the Parent held with a reputable Norwegian bank, which shall be pledged, but not blocked, on a first priority basis in favour of the Trustee, representing the Bondholders.

**“Paying Agent”** means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

**“Permitted Debt”** means any Financial Indebtedness:

- (a) incurred in accordance with the Terms and Conditions;
- (b) incurred under any Project Financing or any refinancing of such financing (including accrued interest and costs);



- (c) incurred under any Construction Financing;
- (d) incurred under any Issuer Intercompany Loans or Parent Intercompany Loans;
- (e) incurred under any loans from a Group Company to the Parent as per the First Issue Date;
- (f) arising as a result of Permitted Distributions or following utilisation of Permitted Disposal Proceeds in accordance with the Terms and Conditions;
- (g) constituting Subordinated Loans;
- (h) commonly entered into as part of the Group Companies' daily business (e.g. leasing arrangements or similar), provided that the total outstanding amount does not exceed NOK 2,000,000 at any given time;
- (i) incurred under Advance Purchase Agreements; and
- (j) arising as a result of a refinancing of the Bonds in full .

**"Permitted Disposals"** means has the meaning set forth in Clause 18.9 (*Disposal of assets*).

**"Permitted Distributions"** means any Distribution:

- (a) in the form of loans to the Parent in an amount of up to NOK 800,000 per month; and
- (b) in the form of loans in a larger amount than permitted pursuant to paragraph (a) above, provided that the board of directors of the Issuer deems it is value enhancing for the Parent Group as a whole, and delivers a compliance certificate to the Trustee stating that it deems it is value enhancing for the Parent Group as a whole,

in each case provided that the funds are transferred directly to the Parent's Operating Account and only utilised for (i) servicing the Existing Shareholder Loans in an amount of up to NOK 4,000,000 in 2019 and NOK 2,750,000 in each of the years thereafter, and/or (ii) financing of project development in the Group, assistance relating to project development, accounting and bookkeeping services, legal services, contract handling, interest costs related to any Project Financing, holding company activities and other administrative services.

**"Permitted Security"** means any guarantee or Security:

- (a) created in accordance with the Terms and Conditions;
- (b) created to secure any Project Financing or any refinancing of such (including accrued interest and costs);
- (c) created to secure any Construction Financing;
- (d) provided pursuant to the Norwegian Housing Construction Act (Nw. *bustadoppføringslova*);

- (e) provided to a contractor pursuant to a construction contract and other guarantees in relation to construction on, and development of, the Properties;
- (f) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (g) created to secure any derivative transactions entered into in connection with protection against, or in order to benefit from, the fluctuation in currency or interest rates;
- (h) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds in full are intended to be received; and
- (i) agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full.

**“Project Companies”** means the following companies (each a **“Project Company”**):

- (a) the Unencumbered Project Companies;
- (b) the De-merged Companies;
- (c) the Encumbered Project Companies;
- (d) Kilgata 17 AS, a limited liability company incorporated under the laws of Norway with Reg. No. 998 009 618 (**“Kilgata 17”**); and
- (e) any other company acquired by the Group after the First Issue Date and which owns a property for development (each a **“Future Project Company”**).

**“Project Financing”** means any current and future financing provided by reputable commercial banks to a Parent Group Company for the purpose of acquiring properties or property owning companies.

**“Properties”** means any of the properties (each a **“Property”**) owned by the Group (including, for the avoidance of doubt, the Project Companies).

**“Record Date”** means, in relation to any payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the CSD Regulations from time to time.

**“Redemption Date”** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 14 (*Redemption and repurchase of the Bonds*).

**“Reference Rate”** shall mean NIBOR (Norwegian Interbank Offered Rate), being:

- (a) the interest rate fixed for a period comparable to the relevant Interest Period on Oslo Børs’ webpage at approximately 12.15 (Oslo time) on the Interest Quotation Day or, on days on which Oslo Børs has shorter opening hours (New Year’s Eve

and the Wednesday before Maundy Thursday), the data published at approximately 10.15 a.m. (Oslo time) on the Interest Quotation Day shall be used; or]

- (b) if no screen rate is available for the relevant Interest Period;
  - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
  - (ii) a rate for deposits in NOK for the relevant Interest Period as supplied to the Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Trustee; or
  - (iii) if no quotation is available under paragraph (b), the interest rate which according to the reasonable assessment of the Trustee and the Issuer best reflects the interest rate for deposits in NOK offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

**“Roll-Over Bonds”** means the Existing NOK Bonds which in accordance with an Existing Bondholder’s acceptance of the Existing Bondholders’ Roll-Over will be used as payment for Initial Bonds (in kind).

**“Secured Obligations”** means all present and future obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents including, for the avoidance of doubt, any future obligations and liabilities of the Issuer to the Secured Parties under any Subsequent Bonds.

**“Secured Parties”** means the Bondholders, the Security Agent and the Trustee (including in its capacity as trustee under the Trustee Agreement).

**“Securities Account”** means the account for dematerialised securities maintained by the CSD pursuant to the Norwegian Securities Register Act in which (i) an owner of such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

**“Security”** means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

**“Security Agent”** means the Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with the Finance Documents.

**“Security Documents”** means the security documents creating the following security:

- (a) a first priority pledge over the Bonds Escrow Account (the **“Bonds Escrow Accounts Pledge”**), however so that the Bonds Escrow Account Pledge shall only be in favour of the Trustee on behalf of the holders of Temporary Bonds;
- (b) a first priority pledge over all (current and future) shares issued by the Issuer (the **“Issuer Share Pledge”**);

- (c) a second priority pledge over all (current and future) shares owned by Tiur Holding in the Parent (with right of advancement) (the “**Parent Share Pledge**”), however so that the pledge shall be released when the conditions subsequent referred to in Clause 8.1 have been fulfilled;
- (d) a first priority pledge over all (current and future) shares issued by an Unencumbered Project Company (the “**Unencumbered Project Company Share Pledges**”), however so that priority of the pledge shall yield to any Construction Financing if necessary to comply with any written conditions of such Construction Financing;
- (e) a first priority pledge over all (current and future) shares issued by a De-merged Company (the “**De-merged Company Share Pledges**”), however so that priority of the pledge shall yield to any Construction Financing if necessary to comply with any written conditions of such Construction Financing;
- (f) a second priority pledge over all (current and future) shares owned by the Parent, the Issuer and/or any of their Affiliates in an Encumbered Project Company (with right of advancement) (the “**Encumbered Project Company Share Pledges**”), however so that priority of the pledge shall yield to any Construction Financing if necessary to comply with any written conditions of such Construction Financing;
- (g) a second priority pledge over all (current and future) shares owned by the Parent, the Issuer and/or any of their Affiliates in Kilgata 17 (with right of advancement) (the “**Kilgata 17 Share Pledge**”), however so that priority of the pledge shall yield to any Construction Financing if necessary to comply with any written conditions of such Construction Financing;
- (h) a pledge over all (current and future) shares issued owned by the Parent, the Issuer and/or any of their Affiliates in a Future Project Company with the best available priority (the “**Future Project Company Share Pledges**”), however so that priority of the pledge shall yield to any Construction Financing if necessary to comply with any written conditions of such Construction Financing;
- (i) a first priority pledge over the Interest Retention Account (the “**Interest Retention Account Pledge**”);
- (j) a first priority pledge over all (current and future) Issuer Intercompany Loans (the “**Issuer Intercompany Loans Pledge**”);
- (k) a first priority pledge over all (current and future) Parent Intercompany Loans (the “**Parent Intercompany Loans Pledge**”);
- (l) a first priority pledge over the Blocked Account (the “**Blocked Account Pledge**”);
- (m) a first priority pledge over the Parent’s Operating Account (the “**Parent’s Operating Account Pledge**”), however so that the Parent’s Operating Account shall not be blocked; and
- (n) the Guarantee Agreement.

“**Special Mandatory Redemption**” has the meaning set forth in Clause 14.7.1.

**“Subordinated Loans”** means new capital raised by the Issuer by way of unsecured and subordinated loans which (i) shall have a maturity after the Final Maturity Date, including the optional extension period, (ii) be contractually subordinated to the Bonds, and (iii) include terms that entail that the Subordinated Loans are structured as bullet loans and that interest is only payable after the Final Maturity Date (including the optional extension period). The Issuer shall be obligated not to service or otherwise redeem the Subordinated Loans during the term of the Bonds.

**“Subsequent Bonds”** means any Bonds issued after the First Issue Date on one or more occasions.

**“Subsidiary”** means a company over which another company has Decisive Influence.

**“Temporary Bonds”** has the meaning set forth in Clause 4.1.

**“Tiur Holding”** means Tiur Holding AS, a limited liability company incorporated under the laws of Norway with Reg. No. 981 404 505.

**“Total Nominal Amount”** means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

**“Transaction Costs”** means all arrangement and legal fees, costs and expenses, stamp duties, registration and other taxes incurred by the Arranger and the Trustee in connection with the issue of the Bonds and the Transaction Security.

**“Transaction Security”** means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Security Documents.

**“Trustee Agreement”** means the trustee agreement entered into on or before the First Issue Date, between the Issuer and the Trustee, or any replacement trustee agreement entered into after the First Issue Date between the Issuer and a trustee.

**“Unencumbered Project Companies”** means:

- (a) Inter Eiendom Sandefjord AS, a limited liability company incorporated under the laws of Norway with Reg. No. 997 108 299; and
- (b) Inter Eiendom Sandefjord 4 AS, a limited liability company incorporated under the laws of Norway with Reg. No. 921 314 477.

**“Units”** means Condominium Units or commercial units.

**“Written Procedure”** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 25 (*Written Procedure*).

## 1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) **“assets”** includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;

- (c) a provision of “**law**” is a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (d) a “**regulation**” includes any regulation, rule or official directive, request or guideline by any official body;
- (e) a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organization, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (f) persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Norwegian Securities Trading Act; and
- (g) a time of day is a reference to Oslo time.

1.2.2 An Event of Default is continuing if it has not been remedied or waived.

1.2.3 When ascertaining whether a limit or threshold specified in NOK has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against NOK for the previous Business Day, as published by the Central Bank of Norway (*Norges Bank*) on its website ([www.norges-bank.no](http://www.norges-bank.no)). If no such rate is available, the most recently published rate shall be used instead.

1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Norway promptly and in a non-discriminatory manner.

1.2.5 No delay or omission of the Trustee or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. STATUS OF THE BONDS

2.1 The Bonds are denominated in NOK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.

2.2 By subscribing for Bonds, and upon registration of the Bonds in the CSD, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.

2.3 The nominal amount of each Initial Bond is NOK 1 (the “**Nominal Amount**”). The maximum Total Nominal Amount of the Initial Bonds is NOK 55,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.

2.4 The Issuer may, on one or several occasions, issue Subsequent Bonds through the Arranger, provided that the conditions set out in Clause 6.2 are met. Subsequent Bonds will be subject to identical terms as the Initial Bonds in all respects as set out in these Terms and Conditions, except that the Subsequent Bonds may be issued at a different price than the Initial Bonds and which may be below or above the Nominal Amount. The Total Nominal Amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed NOK 150,000,000, unless consent from the Bondholders is obtained in accordance

with Clause 23.8(a). The Trustee shall prepare an addendum to these Terms and Conditions evidencing the terms of each issue of Subsequent Bonds (a “**Subsequent Bond Issue Addendum**”).

- 2.5 Subject to Clause 4.2 below, the ISIN of the Bond Issue will be NO0010838964.
- 2.6 The Bonds will constitute senior debt obligations of the Issuer. The Bonds shall be secured by the Transaction Security. The Bonds will rank at least *pari passu* with each other and with all other senior obligations of the Issuer, except obligations which are preferred by mandatory law and except as otherwise provided in the Finance Documents.
- 2.7 The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 2.8 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### 3. **USE OF PROCEEDS**

- 3.1 The Issuer shall use the Net Proceeds from the issue of the Initial Bonds for:
  - (a) refinancing of the Existing Bonds in full (including, without limitation, any costs and expenses incurred by the trustee under the Existing Bond Agreement and any additional early redemption costs) (the “**Refinancing Funds**”);
  - (b) depositing an amount equivalent to approx. four months' interest on the Bonds on the Interest Retention Account, which shall be utilised for Interest payments under the Bonds;
  - (c) depositing NOK 8,500,000 on the Blocked Account, which may be utilised as if such funds constituted Permitted Disposal Proceeds; and
  - (d) the remaining part of the Net Proceeds (if any) shall be used for general corporate purposes of the Parent Group.
- 3.2 The Issuer may use the Net Proceeds from the issue of Subsequent Bonds for purchase of properties and property owning companies, payment of development and construction costs related to the Project Companies and general corporate purposes of the Group.

### 4. **TEMPORARY BONDS**

- 4.1 Any Bonds issued pursuant to these Terms and Conditions and settled against delivery of Roll-Over Bonds in the Existing Bondholders' Roll-Over in accordance with Clause 5.1(b) below shall constitute temporary bonds (the “**Temporary Bonds**”).
- 4.2 The Temporary Bonds shall be issued with a separate ISIN and be designated as Temporary ISIN: NO0010838972.

- 4.3 The Temporary Bonds will be merged with the ordinary Bonds pursuant to Clause 5.3 below.

## 5. SETTLEMENT

- 5.1 The Initial Bonds shall be settled as follows:

- (a) in cash; and/or
- (b) in kind by delivery of Roll-Over Bonds (subject to subscriptions from holders of Existing NOK Bonds in accordance with the Existing Bondholders' Roll-Over).

- 5.2 The holders of Temporary Bonds will receive accrued and unpaid interest on the Roll-Over Bonds up and until the First Issue Date and the applicable call option premium pursuant to the Existing Bond Agreement (collectively the "**Existing Bonds Payments**"), payable in cash by the Arranger on behalf of the Parent, simultaneously with the Parent's payment of principal, interest and call option premiums for full discharge and redemption of any remaining Existing Bonds.

- 5.3 The CSD, the Arranger, the Paying Agent and the Trustee shall take all necessary steps to delete the Roll-Over Bonds and merge the Temporary Bonds with the ordinary Bonds, whereupon all Bonds will have the same ISIN as the ordinary Bonds had prior to such merger. The Temporary Bonds will be merged with the Bonds at the later of (i) immediately after payment of the Existing Bonds Payments having occurred, and (ii) in connection with the first disbursement from the Escrow Account to the Issuer. The CSD, the Arranger, the Paying Agent and the Trustee are authorised to carry out the aforesaid in the best practical way.

- 5.4 If, for any reason, the conditions precedent referred to in Clause 7.1 below are not fulfilled or waived, and the Initial Bonds are called for repayment in accordance with Clause 14.7, the Issuer shall have the right to repay the Temporary Bonds by delivery to the holders of such bonds, Roll-Over Bonds (valued at par value) in accordance with Clause 14.8. Any accrued but unpaid interest, call premium or other amounts payable under such call for repayment, shall be payable in cash.

## 6. CONDITIONS PRECEDENT FOR ISSUE

- 6.1 The Bonds shall be issued on the later of (i) the First Issue Date and (ii) the date on which the Trustee notifies the Arranger that it has received the following, in form and substance satisfactory to the Trustee:

- (a) these Terms and Conditions and the Trustee Agreement duly executed by the parties thereto;
- (b) the Bonds Escrow Account Pledge duly executed by the parties thereto and perfected in accordance with applicable law;
- (c) a duly executed purchase agreement between the Issuer as seller and the Parent as purchaser with respect to the Roll-Over Bonds;
- (d) a copy of a resolution from the board of directors of the Issuer approving the issue of the Initial Bonds and the terms of the Finance Documents, and resolving to enter into such documents and any other documents necessary in connection therewith;



- (e) a copy of a resolution from the board of directors of the Parent approving the terms of the Finance Documents and resolving to enter into such documents and any other documents necessary in connection therewith;
  - (f) the articles of association and a full extract from the relevant company register in respect of the Issuer and the Parent;
  - (g) evidence that the person(s) who has/have signed, or will sign, the Finance Documents and any other documents in connection therewith on behalf of the Issuer and the Parent is/are duly authorised to do so; and
  - (h) a conditions precedent satisfaction letter issued by Advokatfirmaet Grette AS to the Trustee in respect of the conditions referred to in paragraph (a) – (g) above.
- 6.2 Any Subsequent Bonds shall be issued on the later of (i) the relevant Issue Date and (ii) the date on which the Trustee notifies the Arranger that it has received the following, in form and substance satisfactory to the Trustee:
- (a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and the terms of the Subsequent Bond Issue Addendum, and resolving to enter into such documents and any other documents necessary in connection therewith; and
  - (b) a duly executed copy of a Subsequent Bond Issue Addendum.
- 6.3 The Trustee may assume that the documentation delivered to it pursuant to Clause 6.1 or Clause 6.2 (as applicable) is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Trustee does not have to verify the contents of any such documentation.
- 6.4 The Trustee, acting in its reasonable discretion, may waive the deadline or the requirements for documentation set out in Clause 6.1 or Clause 6.2 (as applicable), or decide in its discretion that delivery of certain documents as set out in Clause 6.1 or Clause 6.2 (as applicable) shall be made subject to an agreed closing procedure between the Trustee and the Issuer. The Trustee shall confirm to the Arranger when the conditions in Clause 6.1 or Clause 6.2 (as applicable) have been satisfied.
- 6.5 The Net Proceeds shall be held by the Arranger on the Escrow Account and shall be released when the conditions pursuant to Clause 7.1 or Clause 7.2 (as applicable) have been fulfilled.

## **7. CONDITIONS PRECEDENT FOR DISBURSEMENT**

- 7.1 Upon the Issuer providing the following to the Trustee, in form and substance satisfactory to the Trustee, or the Trustee waiving any such requirement, the Trustee shall instruct the Arranger to promptly transfer the funds standing to the credit on the Escrow Account in accordance with Clause 3.1, and ensure that the Bonds Escrow Account Pledge is released:
- (a) duly executed corporate authorization documents, issued by any obligor under the Finance Documents (other than the Issuer and the Parent);
  - (b) duly executed copies of the Finance Documents (other than the Terms and Conditions, the Trustee Agreement, the Bonds Escrow Account Pledge, the De-merged Company Share Pledges, the Kilgata 17 Share Pledge and the Future

Project Company Share Pledges) and evidence satisfactory to the Trustee that the Transaction Security will be perfected on or before the disbursement date;

- (c) a duly executed loan agreement between the Issuer as lender and the Parent as borrower with respect to the Refinancing Funds (the “**Refinancing Funds Loan Agreement**”);
- (d) a conditions precedent satisfaction letter issued by Advokatfirmaet Grette AS to the Trustee in respect of the conditions referred to in paragraph (a) – (c) above; and
- (e) such other documents and information as is specified in the Security Documents or otherwise agreed between the Trustee and the Issuer.

- 7.2 When the Issuer has fulfilled the conditions set out in Clause 6.2, the Trustee shall instruct the Arranger to promptly transfer the Net Proceeds from the issue of any Subsequent Bonds on the Escrow Account in accordance with Clause 3.2.
- 7.3 The Trustee may assume that the documentation delivered to it pursuant to Clause 7.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Trustee does not have to verify the contents of any such documentation.
- 7.4 The Trustee, acting in its reasonable discretion, may waive the deadline or the requirements for documentation set out in Clause 7.1 or Clause 7.2 (as applicable), or decide in its discretion that delivery of certain documents as set out in Clause 7.1 or Clause 7.2 shall be made subject to an agreed closing procedure between the Trustee and the Issuer.

## 8. CONDITIONS SUBSEQUENT

- 8.1 The Issuer shall ensure that the Parent will carry out de-mergers of (1) Mosserødveien 17 (Gnr./bnr. 39/20 in Sandefjord municipality), (2) Ranvikveien 63 (Gnr./bnr. 120/84 in Sandefjord municipality), and (3) Fredrik Stangs gate (Gnr./bnr. 422/76 and 422/98), after which each property will be owned by separate companies (the “**De-merged Companies**”). The de-mergers shall be completed by 1 April 2019, and the companies shall be wholly-owned by the Issuer. The Issuer shall further ensure that the De-merged Company Share Pledges are granted (and perfected in accordance with applicable law) immediately following the completion of the de-mergers.
- 8.2 The Issuer shall ensure that the Kilgata 17 Share Pledge is granted (and perfected in accordance with applicable law) immediately following the acquisition of the shares in Kilgata 17 by the Parent or the Issuer (as applicable).
- 8.3 The Issuer shall ensure that the Future Project Company Share Pledges granted (and perfected in accordance with applicable law) immediately following the acquisition of a Future Project Company (if applicable).

## 9. BONDS IN BOOK-ENTRY FORM

- 9.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical bonds will be issued. The Bonds will be registered in accordance with the Norwegian Securities Register Act and the CSD Regulations. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 9.2 The Issuer shall at all times ensure that the registration of the Bonds in the CSD is correct.

- 9.3 Those who according to assignment, Security, conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Norwegian Securities Register Act.
- 9.4 The Trustee shall, in order to carry out its functions and obligations under these Terms and Conditions, have access to the securities depository registered with the CSD for the purposes of reviewing ownership of Bonds registered in the securities depository.
- 9.5 The Trustee may use the information referred to in Clause 9.4 only for the purposes of carrying out its duties and exercising its rights in accordance with the Finance Documents and shall not disclose such information to the Issuer, any Bondholder or third party unless necessary for such purposes.

## **10. RIGHT TO ACT ON BEHALF OF A BONDHOLDER**

- 10.1 If a beneficial owner of a Bond who is not registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bond, acceptable to the Trustee.
- 10.2 If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such person.
- 10.3 A Bondholder (whether registered as such or proven to the Trustee's satisfaction to be the beneficial owner of the Bond as set out in Clause 10.1) may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- 10.4 The Trustee shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 10.3 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Trustee has actual knowledge to the contrary.

## **11. REPRESENTATIONS AND WARRANTIES**

- 11.1 The Issuer makes the representations and warranties set out in this Clause 11 (*Representations and warranties*), in respect of itself and in respect of each Group Company to the Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:
- (a) at the First Issue Date;
  - (b) at the relevant Issue Date for any Subsequent Bonds; and
  - (c) on each date of disbursement of proceeds pursuant to Clause 7 (*Conditions precedent for disbursement*).

- 11.2 All information which has been presented to the Trustee or the Bondholders in relation to the Bonds is, to the best knowledge of the Issuer, having taken all reasonable measures to ensure the same:
- (a) true and accurate in all material respects as at the date the relevant information is expressed to be given; and
  - (b) does not omit any material information likely to affect the accuracy of the information as regards the evaluation of the Bonds in any material respects unless subsequently disclosed to the Trustee in writing or otherwise made publicly known.
- 11.3 No Event of Default exists or is likely to result from the issuance of the Bonds or the entry into, the performance of, or any transaction contemplated by, these Terms and Conditions or the other Finance Documents.
- 11.4 The entry into of the Security Documents and the granting of the Transaction Security do not and will not conflict with:
- (a) any law or regulation applicable to the Issuer or the Parent;
  - (b) the Issuer's constitutional documents or those of the Parent; or
  - (c) any agreement or instrument binding upon the Issuer or the Parent.

## **12. PAYMENTS IN RESPECT OF THE BONDS**

### **12.1 Payment obligations and currency**

- 12.1.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds requested by a Bondholder pursuant to these Terms and Conditions, shall be made to such person who is registered as a Bondholder on a Securities Account on the Record Date prior to an Interest Payment Date or other relevant due date, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its Securities Account in the CSD.
- 12.1.2 Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Terms and Conditions will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its Securities Account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- 12.1.3 All amounts payable under the Finance Documents shall be payable in the relevant denomination of the Bonds as set out in Clause 2.1 above. If, however, the denomination differs from the currency of the bank account connected to the Bondholder's Securities Account in the CSD, any cash settlement may be exchanged and credited to this bank account in accordance with the procedures of the CSD.
- 12.1.4 Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its Account Operator in the CSD) within five Business Days prior to a payment date. Depending on any currency

exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

- 12.1.5 If an Interest Payment Date or other relevant date for payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary have been set out for such payment in the relevant Finance Document.
- 12.1.6 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 13.4 during such postponement.
- 12.1.7 If payment or repayment is made in accordance with this Clause 12.1 (*Payment obligations and currency*), the Issuer shall be deemed to have fulfilled its obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 12.1.8 Any payment which shall be made under these Terms and Conditions shall be made in accordance with the Business Day Convention (no business day adjustment).
- 12.1.9 Notwithstanding anything to the contrary in these Terms and Conditions, the Bonds shall be subject to, and any payments made in relation thereto shall be made in accordance with, the CSD Regulations.
- 12.2 **Partial payments**
  - 12.2.1 If the Paying Agent or the Trustee receives a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents (a "**Partial Payment**"), such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the order of priority as set out in Clause 21.1.
  - 12.2.2 Notwithstanding Clause 12.2.1 above, any Partial Payment which is distributed to the Bondholders shall, subject to Clause 12.2.3 below, be applied pro rata pursuant to the procedures of the CSD towards payment of any accrued interest due but unpaid and of any principal amount due but unpaid.
  - 12.2.3 A Bondholders' Meeting can only resolve that any overdue payment of any instalment will be reduced if there is a pro rata reduction of the principal that has not fallen due, however, the meeting may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- 12.3 **Taxation**
  - 12.3.1 The Issuer is responsible for withholding any tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
  - 12.3.2 The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:

- (a) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
  - (b) at the request of the Trustee, deliver to the Trustee evidence that the required tax deduction or withholding has been made.
- 12.3.3 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.

### **13. INTEREST**

- 13.1 Each Initial Bond carries Interest at the Interest Rate applied to the Nominal Amount from (and including) the First Issue Date up to (but excluding) the relevant Redemption Date. Each Subsequent Bond carries Interest at the Interest Rate applied to the Nominal Amount from (and including) the Interest Payment Date immediately prior to the relevant Issue Date (or, if the relevant Issue Date is not an Interest Payment Date and there is no Interest Payment Date prior to such Issue Date, starting with the First Issue Date) up to (but excluding) the relevant Redemption Date.
- 13.2 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Trustee, who will notify the Issuer and the Paying Agent of the new Interest Rate and the actual number of calendar days for the next Interest Period.
- 13.3 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period and in connection with the redemption of the Bonds in full on the relevant Redemption Date.
- 13.4 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (and including) the due date up to (but excluding) the date of actual payment at a rate which is five (5) percentage points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Paying Agent or the CSD, in which case the ordinary Interest Rate shall apply instead.

### **14. REDEMPTION AND REPURCHASE OF THE BONDS**

#### **14.1 Redemption at maturity and extension**

- 14.1.1 Subject to Clause 14.1.2 below, the Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.
- 14.1.2 The Issuer has the right to extend the original Final Maturity Date with twelve (12) months by giving notice to the Trustee at least ten (10) Business Days prior to the original Final Maturity Date. If so requested by the Issuer, the Issuer shall redeem the outstanding Bonds on the date falling twelve (12) months after the original Final Maturity Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

## 14.2 **Purchase of Bonds by Group Companies and Affiliates**

- 14.2.1 Any Group Company or any of their Affiliates may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. Bonds held by a Group Company or any of their Affiliates may at such Group Company or Affiliate's discretion be retained or sold or, if held by the Issuer, cancelled by the Issuer.

## 14.3 **Restrictions on transfer of Bonds**

- 14.3.1 Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Trustee shall be responsible to ensure compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- 14.3.2 A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Terms and Conditions (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

## 14.4 **Voluntary early redemption (call option)**

- 14.4.1 The Issuer may redeem all of the outstanding Bonds on any Business Day or part of the outstanding Bonds on any Interest Payment Date:
- (a) from and including the First Issue Date to, but excluding, the First Call Date at a price equal to the Early Redemption Amount or, if higher, at an amount per Bond equal to 102 per cent. of the Nominal Amount (plus accrued but unpaid Interest on the redeemed amount);
  - (b) from and including the First Call Date to, but excluding, the date falling 24 months after the First Issue Date at an amount per Bond equal to 102 per cent. of the Nominal Amount (plus accrued but unpaid Interest on the redeemed amount); and
  - (c) from and including the date falling 24 months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100 per cent. of the Nominal Amount (plus accrued but unpaid Interest on the redeemed amount).
- 14.4.2 Redemption in accordance with Clause 14.4.1 shall be made by the Issuer giving not less than ten (10) Business Days' notice and not more than twenty (20) Business Days' notice to the Bondholders and the Trustee, in each case calculated from the effective date of the notice. The Notice from the Issuer shall specify the Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.
- 14.4.3 Any partial redemption pursuant to Clause 14.4.1 will be used for pro rata payment to the Bondholders in accordance with the applicable CSD Regulations.
- ## 14.5 **Mandatory repurchase due to a Change of Control Event (put option)**
- 14.5.1 Upon the occurrence of a Change of Control Event, each Bondholder shall during a period of thirty (30) calendar days from the effective date of a notice from the Issuer of the

Change of Control Event pursuant to Clause 16.1.3(a) (after which time period such right shall lapse), have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event.

- 14.5.2 Each Bondholder may exercise its put option pursuant to Clause 14.5.1 by written notice to its Account Operator, who will notify the Paying Agent of the exercise of the put option. The repurchase amount shall fall due on the Redemption Date, which will be the fifth Business Day after the end of the period referred to in Clause 14.5.1.
- 14.5.3 If Bonds representing more than 90 per cent. of the Adjusted Nominal Amount have been repurchased pursuant to this Clause 14.5 (*Mandatory repurchase due to a Change of Control Event (put option)*), the Issuer is entitled to repurchase all the remaining Bonds at the price stated in Clause 14.5.1 above by notifying the remaining Bondholders of its intention to do so no later than 20 calendar days after the relevant Redemption Date. Prepayment may occur at the earliest on the 15th calendar day following the date of such notice.
- 14.5.4 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 14.5, the Issuer may comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 14.5 by virtue of the conflict.
- 14.5.5 Any Bonds repurchased by the Issuer pursuant to this Clause 14.5 may at the Issuer's discretion be retained, sold or cancelled / shall be promptly cancelled by the Issuer.
- 14.5.6 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 14.5, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Bonds in the manner and on the terms set out in this Clause 14.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in this Clause 14.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 14.6 **Early redemption due to a tax event**
  - 14.6.1 If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 12.3 (*Taxation*) as a result of a change in applicable law (or in the interpretation thereof) implemented after the date of these Terms and Conditions, the Issuer will have the right to redeem all, but not only some, of the outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Trustee and the Bondholders at least 20 Business Days prior to the relevant Redemption Date, provided that no such notice shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.
- 14.7 **Special Mandatory Redemption – Bond Issue**
  - 14.7.1 If the Issuer has not provided the conditions precedent set out in Clause 7.1 to the Trustee, in form and substance satisfactory to the Trustee, on or before the day falling 60 days after the First Issue Date (or, if such day is not a Business Day, the next Business Day



thereafter), the Issuer shall redeem all, but not some only, of the outstanding Bonds in full at a price of 101% of the Nominal Amount of each Bond, together with accrued but unpaid Interest (a “**Special Mandatory Redemption**”). The Issuer may fund a Special Mandatory Redemption with the amounts standing to the credit on the Escrow Account.

- 14.7.2 A Special Mandatory Redemption shall be made by the Issuer giving notice to the Bondholders and the Trustee promptly following the date when the Special Mandatory Redemption is triggered pursuant to Clause 14.7.1. The Issuer is bound to redeem the Bonds in full at the applicable amount on a date specified in the notice from the Issuer, such date to fall no later than ten (10) Business Days after the effective date of the notice.

#### 14.8 **Special Mandatory Redemption – Temporary Bonds**

- 14.8.1 Upon a Special Mandatory Redemption in accordance with Clause 20.1 (*Special Mandatory Redemption – Bond Issue*), the Issuer shall have the right to redeem all, but not some only, of the Temporary Bonds to the holders of such Bonds with Roll-Over Bonds instead of cash. If electing to do so, the Issuer shall immediately redeem all of the Temporary Bonds by delivery of Roll-Over Bonds (valued at par value), together with cash payment of (i) accrued and unpaid interest on the Temporary Bonds, and (ii) a premium of 1% of the Nominal Amount of each Temporary Bond.

### 15. **TRANSACTION SECURITY**

- 15.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants, and shall procure that the relevant security providers grant, the Transaction Security to the Secured Parties as represented by the Security Agent. The Transaction Security shall be provided and perfected pursuant to, and subject to the terms of, the Security Documents.
- 15.2 The Security Documents shall be entered into on such terms and conditions as the Security Agent in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document.

### 16. **INFORMATION TO BONDHOLDERS**

#### 16.1 **Information from the Issuer**

- 16.1.1 The Issuer shall procure that the Group will, without being requested to do so:
- (a) prepare the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors, and make them available to the Trustee in the English or Norwegian language not later than four (4) months after the expiry of each financial year (beginning with the financial year ending 31 December 2018); and
  - (b) prepare the unaudited consolidated semi-annually financial statements of the Issuer and make them available to the Trustee in the English or Norwegian language as soon as they become available, but no later than two (2) months after the end of the second quarter (beginning with the second quarter ending 30 June 2019).
- 16.1.2 Together with the financial statements to be made available pursuant to Clause 16.1.1, the Issuer shall submit to the Trustee a compliance certificate containing a confirmation that no

Event of Default has occurred (or if an Event of Default has occurred and what steps have been taken to remedy it) and setting out (in reasonable detail) computations evidencing compliance with Clause 19 (*Financial Covenant*) as at such date. The compliance certificate shall be in a form agreed between the Issuer and the Trustee, duly signed by the chief executive officer or chief financial officer of the Issuer and inter alia certify that the financial statements fairly represent its financial condition as at the date of those financial statements.

16.1.3 The Issuer shall:

- (a) immediately notify the Trustee and the Bondholders upon becoming aware of the occurrence of a Change of Control Event, and shall provide the Trustee with such further information as the Trustee may request (acting reasonably) following receipt of such notice. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event;
- (b) send copies of any statutory notifications of the Issuer to the Trustee, including, but not limited to, in connection with mergers, de-mergers and changes of the Issuer's share capital or equity;
- (c) as soon as practicable following an acquisition or disposal of Bonds by a Group Company, inform the Trustee of the aggregate Nominal Amount held by Group Companies, or the amount of Bonds cancelled by the Issuer; and
- (d) within a reasonable time, provide such information about the Group's business, assets and financial condition as the Trustee may reasonably request.

16.2 **Information from the Trustee and a Bondholders' committee**

16.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Trustee in accordance with Clause 22.4, the Trustee is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Trustee may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

16.2.2 Notwithstanding Clause 16.2.1, the Trustee shall comply with an agreement regarding the non-disclosure of information received from the Issuer, which is entered into with the members of a Bondholders' Committee and the Issuer pursuant to Clause 22.4.

16.3 **Information among the Bondholders**

Upon request by a Bondholder, the Trustee shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds. The Trustee may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Trustee in doing so (including a reasonable fee for the work of the Trustee) before any such information is distributed.

16.4 **Publication of Finance Documents**

16.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Trustee.

- 16.4.2 The latest versions of the Finance Documents shall be available to the Bondholders at the office of the Trustee during normal business hours.

## **17. PARENT GROUP'S GENERAL UNDERTAKINGS**

### **17.1 General**

- 17.1.1 The Issuer undertakes to ensure that the Parent complies (and shall, if explicitly stated, procure that the other Group Companies comply) with the undertakings set forth in this Clause 17 (*Parent Group's General Undertakings*).

### **17.2 Authorisations**

- 17.2.1 The Issuer shall procure that the Parent ensures that all Parent Group Companies in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out at the First Issue Date if a failure to do so is reasonably likely to have a Material Adverse Effect.

### **17.3 Compliance with laws**

- 17.3.1 The Issuer shall procure that that the Parent ensures that all Parent Group Companies comply in all material respects with all laws and regulations to which it may be subject from time to time, if a failure to do so is reasonably likely to have a Material Adverse Effect.

### **17.4 Nature of business**

- 17.4.1 The Issuer shall procure that the Parent ensures that no substantial change is made to the general nature of the business carried on or intended to be carried on by the Parent Group as of the First Issue Date if such change is reasonably likely to have a Material Adverse Effect.

### **17.5 Distributions**

- 17.5.1 The Issuer shall procure that the Parent does not (i) pay any dividend on its shares, (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted equity with repayment to shareholders, (iv) make any repayments on loans to the direct or indirect shareholder of the Parent, or any Affiliates of the Parent or its shareholders, or (v) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Parent, or any Affiliates of the Parent, other than servicing the Existing Shareholder Loans in a total amount of up to NOK 4,000,000 in 2019 and NOK 2,750,000 in each of the years thereafter.

### **17.6 The Heistad Brygge Project**

- 17.6.1 The Issuer shall procure that the Parent will use the net proceeds from the Heistad Brygge Project, which are not used for payment of outstanding amounts under any Construction Financing or Project Financing, to repay all outstanding amounts under the Refinancing Funds Loan Agreement. The repaid amount, as well as any excess net proceeds which are not used for payment of outstanding amounts under any Construction Financing or Project Financing, shall be deposited directly on the Blocked Account and be utilised as if such funds constituted Permitted Disposal Proceeds.

**17.7 Existing blocked account**

- 17.7.1 The Issuer shall procure that the Parent will transfer all the funds standing to the credit on its pledged and blocked bank account in DNB Bank ASA, account no. 1503.95.02345, directly to the Blocked Account without unreasonable delay after the disbursement date for the Bond Issue, which may be utilised as if such funds constituted Permitted Disposal Proceeds.

**17.8 Related party transactions**

- 17.8.1 The Issuer shall procure that the Parent ensures that all Parent Group Companies conduct all dealings with the direct and indirect shareholders of the Issuer and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

**17.9 Environmental compliance**

- 17.9.1 The Issuer shall procure that the Parent ensures that all Parent Group Companies comply with all applicable environmental authorisations, regulations and laws and any orders issued by any public authority, if a failure to do so is reasonably likely to have a Material Adverse Effect.

**18. GROUP'S GENERAL UNDERTAKINGS****18.1 General**

- 18.1.1 The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 18 (*Group's General Undertakings*).

**18.2 Authorisations**

- 18.2.1 The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out at the First Issue Date if a failure to do so is reasonably likely to have a Material Adverse Effect.

**18.3 Compliance with laws**

- 18.3.1 The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time, if a failure to do so is reasonably likely to have a Material Adverse Effect.

**18.4 Nature of business**

- 18.4.1 The Issuer shall procure that no substantial change is made to the general nature of the business carried on or intended to be carried on by the Group as of the First Issue Date if such change is reasonably likely to have a Material Adverse Effect.

**18.5 Mergers and de-mergers**

- 18.5.1 The Issuer shall not carry out (i) any merger or other business combination or corporate reorganization involving the consolidation of assets and obligations with any other person other than with a Group Company; or (ii) any demerger or other corporate reorganization

having the same or equivalent effect as a demerger; if such merger, demerger, combination or reorganization is reasonably likely to have a Material Adverse Effect.

## 18.6 Distributions

- 18.6.1 The Issuer shall not (i) pay any dividend on its shares, (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted equity with repayment to shareholders, (iv) make any repayments on loans to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer or its shareholders, or (v) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer (each a “**Distribution**”), other than any Permitted Distributions.

## 18.7 Financial Indebtedness

- 18.7.1 The Issuer shall not, and shall procure that no other Group Company will, incur any additional Financial Indebtedness or maintain or prolong any existing Financial Indebtedness, provided, however, that the Issuer or other Group Companies (as the case may be) may incur, maintain or prolong Financial Indebtedness that constitute Permitted Debt.

## 18.8 Investments

- 18.8.1 The Issuer shall not acquire any company, shares, securities, business or undertaking (or any interest in any of them) or make any other investments or capital expenditures, other than investments solely related to the direct or indirect ownership in and operation, maintenance, development, and improvement of properties

## 18.9 Disposal of assets

- 18.9.1 The Issuer shall not, and shall procure that no other Group Company will, sell, transfer or otherwise dispose of all or substantially all of its assets (including shares or other securities in any other person (owned directly or indirectly)), other than in accordance with Clause 18.9.2 below (each a “**Permitted Disposal**”).
- 18.9.2 The Issuer and the other Group Companies (including, for the avoidance of doubt, the Project Companies) shall have the right to:
- (a) merge the Properties;
  - (b) section the Properties for the purpose of establishing Units;
  - (c) sell the Units, provided that the Units are sold on arms length's terms at the prevailing market value;
  - (d) de-merge a Property from the relevant Project Company, and subsequently merge the de-merged company with a community association (Nw. *borettslag*) legally established and wholly-owned by the relevant Project Company;
  - (e) sell the Properties that are subject to the Transaction Security to community associations (Nw. *borettslag*) legally established by the Group (including, for the avoidance of doubt, the Project Companies); and
  - (f) sell commercial units, provided and are sold on arms length's terms at the prevailing market value.

18.9.3 The Issuer shall ensure that any net disposal proceeds from the sale of the Properties and any Units on the Properties, which are not used for payment of outstanding amounts under any Construction Financing or Project Financing (the “**Permitted Disposal Proceeds**”), is paid directly into the Blocked Account, and only used as follows (by requesting a release of the funds from the Trustee):

- (a) towards servicing and/or repayment of the Bonds;
- (b) towards financing (in whole or in part) of the acquisition of any properties or property owning companies, provided that (i) the release request is accompanied by reasonable evidence of the purchase (purchase contracts or similar), and (ii) all (current and future) shares issued by the relevant Future Project Company is pledged as Transaction Security and perfected in accordance with applicable law;
- (c) to finance Permitted Distributions;
- (d) to be transferred directly to the Interest Retention Account;
- (e) to pay project development costs (including, for the avoidance of doubt, interest costs related to any Project Financing) incurred by the Parent or a Group Company, provided that the release request is accompanied by reasonable evidence (invoices or similar, dated on or after 15 November 2018) that the funds will be, or that an equivalent amount has been, used to cover such development costs;
- (f) if required by a bank that provides Construction Financing (e.g. for the purpose of providing equity and subordinated loan capital (Nw. *ansvarlig lånekapital*)), to be deposited on a construction financing account (Nw. *byggelånskonto*), provided that the release request is accompanied by reasonable evidence (offer letters (Nw. *tilsagnsbrev*) or similar) of such requirements; and
- (g) utilising an amount of up to NOK 5,000,000 during the term of the Bond Issue for general corporate purposes of the Parent Group.

#### 18.10 **Negative pledge**

18.10.1 The Issuer shall not, and shall procure that no other Group Company will, provide, prolong or renew any guarantee or security over any of its assets (present or future), provided however that the Issuer and other Group Companies have a right to provide, prolong and renew any Permitted Security.

#### 18.11 **Financial support**

18.11.1 The Issuer shall not, and shall procure that no other Group Company will, provide any loan, security or guarantee to or for the benefit of any person, other than any Permitted Debt and Permitted Security.

#### 18.12 **Related party transactions**

18.12.1 The Issuer shall, and shall procure that any other Group Company will, conduct all dealings with the direct and indirect shareholders of the Issuer and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

**18.13 Environmental compliance**

- 18.13.1 The Issuer shall, and shall procure that each other Group Company will, comply with all applicable environmental authorisations, regulations and laws and any orders issued by any public authority, if a failure to do so is reasonably likely to have a Material Adverse Effect.

**18.14 Admission to trading**

- 18.14.1 The Issuer is under no obligation to ensure that the Bonds are admitted to listing on any Exchange, but has the right to list the Bonds on any Exchange or other relevant marketplace if it so desires.

**18.15 Undertakings relating to the Trustee Agreement**

- 18.15.1 The Issuer shall, in accordance with the Trustee Agreement:

- (a) pay fees to the Trustee;
- (b) indemnify the Trustee for costs, losses and liabilities;
- (c) furnish to the Trustee all information requested by or otherwise required to be delivered to the Trustee; and
- (d) not act in a way which would give the Trustee a legal or contractual right to terminate the Trustee Agreement.

- 18.15.2 The Issuer and the Trustee shall not agree to amend any provisions of the Trustee Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

**18.16 CSD related undertakings**

- 18.16.1 The Issuer shall keep the Bonds affiliated with the CSD and comply with all applicable CSD Regulations.

**18.17 Bonds Escrow Account**

- 18.17.1 The Roll-Over Bonds on the Bonds Escrow Account shall (i) as soon as practically possible be cancelled by the Parent or discharged by redemption of the Roll-Over Bonds upon release of the Net Proceeds from the Escrow Account in accordance with Clause 7.1, or (ii) returned to the holders of the Temporary Bonds in accordance with Clause 14.8 (*Special Mandatory Redemption – Temporary Bonds*).

**18.18 Interest Retention Account**

- 18.18.1 The Issuer shall monthly, starting from one month after the First Issue Date, transfer an amount equal to 1/3 of next scheduled Interest payment to the Interest Retention Account. The Issuer shall procure that an amount corresponding to minimum four (4) months' interest on the Bonds at all times is deposited on the Interest Retention Account.

## **19. FINANCIAL COVENANT**

### **19.1 Minimum Liquidity**

- 19.1.1 The Issuer undertakes to ensure that the Parent Group maintains a Liquidity of minimum NOK 5,000,000.
- 19.1.2 The Issuer undertakes to comply with the above Financial Covenant at any given time during the term of the Bond Issue, with such compliance to be measured semi-annually, as further set out in Clause 16.1.2.

## **20. ACCELERATION OF THE BONDS**

20.1 The Trustee is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing more than fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the demand is received by the Trustee and shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 20.5, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Trustee determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if any of the following events occur and is continuing:

- (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
  - (i) is caused by technical or administrative error; and
  - (ii) is remedied within five (5) Business Days from the due date;
- (b) the Issuer, the Parent or any other Group Company does not comply with any terms of or acts in violation of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) above), unless the non-compliance:
  - (i) is capable of remedy; and
  - (ii) is remedied within twenty (20) Business Days of the earlier of the Trustee giving notice and the relevant Group Company becoming aware of the non-compliance;
- (c) it is or becomes impossible or unlawful for the Issuer, the Parent or any other Group Company to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable;
- (d) any corporate action, legal proceedings or other procedure or step other than vexatious or frivolous and as disputed in good faith and discharged, stayed or dismissed within 30 Business Days of commencement is taken in relation to:
  - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation of the Parent or any



Group Company, other than a solvent liquidation or reorganisation of any Group Company other than the Issuer;

- (ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer which may materially impair the Issuer's ability to perform its obligations under these Terms and Conditions, other than the Bondholders; or
- (iii) the appointment of a liquidator (other than in respect of a solvent liquidation of a Group Company other than the Issuer), administrator or other similar officer in respect of the Parent or any Group Company or any of their assets;
- (e) any Group Company or the Parent is, or is deemed for the purposes of any applicable law to be, Insolvent;
- (f) any expropriation, attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of a Group Company or the Parent, having an aggregate value of an amount equal to or exceeding NOK 3,000,000 and is not discharged within thirty (30) Business Days;
- (g)
  - (i) any Financial Indebtedness of a Group Company or the Parent is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described),
  - (ii) any commitment for any Financial Indebtedness of a Group Company or the Parent is cancelled or suspended by a creditor as a result of an event of default (however described), or
  - (iii) any creditor of a Group Company or the Parent becomes entitled to declare any Financial Indebtedness of a Group Company or the Parent due and payable prior to its specified maturity as a result of an event of default (however described),

however so that no Event of Default will occur under this paragraph (g) if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than NOK 3,000,000 (or its equivalent in any other currency or currencies;
- (h) a decision is made that any Group Company or the Parent shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect (unless otherwise permitted pursuant to these Terms and Conditions), provided that a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged;
- (i) the Issuer ceases to carry on its business or in the case of a merger or a demerger as stipulated in paragraph (h) above.

20.2 The Trustee may not accelerate the Bonds in accordance with Clause 20.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a

Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).

- 20.3 The Issuer shall immediately notify the Trustee (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Trustee with such further information as it may reasonably request in writing following receipt of such notice. Should the Trustee not receive such information, the Trustee is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Trustee does not have actual knowledge of such event or circumstance.
- 20.4 The Trustee shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Trustee received actual knowledge of that an Event of Default has occurred and is continuing. The Trustee shall, within twenty (20) Business Days of the date on which the Trustee received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Trustee decides not to accelerate the Bonds, the Trustee shall promptly seek instructions from the Bondholders in accordance with Clause 23 (*Decisions by Bondholders*). The Trustee shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 20.5 If the Bondholders instruct the Trustee to accelerate the Bonds in accordance with the provisions of Clause 20.1, the Trustee shall promptly declare the Bonds due and payable and take, or instruct the Security Agent to take, such actions as may, in the opinion of the Trustee, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 20.6 If the right to accelerate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 20.7 In the event of an acceleration of the Bonds in accordance with this Clause 20, the Issuer shall redeem all Bonds at an amount per Bond equal to the redemption amount specified in Clause 14.4 (*Voluntary early redemption (call option)*), as applicable considering when the acceleration occurs.

## **21. DISTRIBUTION OF PROCEEDS**

- 21.1 All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 20 (*Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Trustee:
- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee in accordance with the Trustee Agreement (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the protection of the Bondholders' rights as may have been incurred by the Trustee or the Security Agent, (iii) any costs incurred by the Trustee for external experts that have not been reimbursed by

the Issuer in accordance with Clause 27.2.7, and (iv) any costs and expenses incurred by the Trustee in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 23.16, together with default interest in accordance with Clause 13.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

- (b) *secondly*, in or towards payment *pro rata* of any cost and expenses incurred by a Bondholders' Committee in accordance with an agreement with the Issuer pursuant to Clause 22.5 that have not been reimbursed by the Issuer, together with default interest in accordance with Clause 13.4 on any such amount calculated from the date it was due to be reimbursed by the Issuer;
- (c) *thirdly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (d) *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (e) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents, including default interest in accordance with Clause 13.4 on delayed payments of Interest and repayments of principal under the Bonds.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (e) above shall be paid to the Issuer.

- 21.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 21.1(a), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 21.1(a).
- 21.3 Funds that the Trustee receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security constitute escrow funds and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Trustee shall arrange for payments of such funds in accordance with this Clause 21 as soon as reasonably practicable.
- 21.4 If the Issuer or the Trustee shall make any payment under this Clause 21, the Issuer or the Trustee, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. The Notice from the Issuer shall specify the Redemption Date and for any Interest due but unpaid, the Record Date specified in Clause 12.1 shall apply.

## **22. BONDHOLDERS' COMMITTEE**

- 22.1 The Bondholders may appoint a committee (a "**Bondholders' Committee**") to represent the interests of the Bondholders. A Bondholders' Committee shall consist of no less than three (3) natural persons. All members of a Bondholders' Committee shall be elected at a Bondholders' Meeting.
- 22.2 Each Bondholder is entitled to nominate candidates to the Bondholders' Committee by notice to the Trustee no later than two (2) Business Days prior to the Bondholders' Meeting. At the Bondholders Meeting all candidates so nominated shall be presented to the

Bondholders. Each Bondholder that is entitled to vote shall for such election have the same number of votes to cast for each Bond as the total number of persons to be elected. A Bondholder may cast its votes for one or several of the candidates. The candidates that receive the most votes shall be elected to the Bondholders' Committee.

- 22.3 A Bondholders' Committee may enter into discussions with the Issuer and other creditors of the Issuer and by majority decision among its members (i) adopt such procedural rules as it considers appropriate and (ii) prepare proposals and recommendations to the Bondholders. A Bondholders' Committee may not bind the Bondholders to any agreement or decision. The Trustee shall provide reasonable assistance to the Bondholders' Committee and participate in its meetings.
- 22.4 The Bondholders' Committee may agree with the Issuer not to disclose information received from the Issuer provided that it, in the reasonable opinion of the Bondholders' Committee, is beneficial to the interests of the Bondholders. The Trustee shall be a party to such agreement and receive the same information from the Issuer as the Bondholders' Committee.
- 22.5 The Bondholders' Committee and the Issuer may agree that the Issuer shall pay certain costs and expenses incurred by the Bondholders' Committee. Otherwise the Bondholders' Committee is not entitled to be reimbursed for any costs or expenses.

### **23. DECISIONS BY BONDHOLDERS**

- 23.1 A request by the Trustee for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 23.2 Any request from the Issuer, the Exchange (if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange) or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Trustee and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Trustee and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Trustee. The person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting. Notwithstanding the foregoing, the appointment of a Bondholders' Committee shall always be dealt with at a Bondholders' Meeting.
- 23.3 The Trustee may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Trustee that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- 23.4 Should the Trustee not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 23.3 being applicable, the Issuer, the Exchange or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead.

- 23.5 Should the Issuer want to replace the Trustee, it may (i) convene a Bondholders' Meeting in accordance with Clause 24.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 25.1, in both cases with a copy to the Trustee. After a request from the Bondholders pursuant to Clause 27.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 24.1. The Issuer shall inform the Trustee before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Trustee is proposed to be replaced is sent and shall, on the request of the Trustee, append information from the Trustee together with the notice or the communication.
- 23.6 Only a person who is, or who has been provided with a power of attorney pursuant to Clause 10 (*Right to act on behalf of a Bondholder*) from a person who is, registered as a Bondholder:
- (a) in respect of a Bondholders' Meeting, on the date falling on the immediate preceding Business Day to the date of that Bondholders' Meeting being held (or another date as accepted by the Trustee), or
  - (b) in respect of a Written Procedure, on the date falling three (3) Business Days after the communication instigating such Written Procedure has been published,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the Adjusted Nominal Amount, and may cast one vote for each Bond.
- 23.7 For the purposes of this Clause 23 (*Decisions by Bondholders*), a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 10 (*Right to act on behalf of a Bondholder*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Trustee pursuant to Clause 10 (*Right to act on behalf of a Bondholder*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- 23.8 The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 25.2:
- (a) the issue of Subsequent Bonds, if the Total Nominal Amount of the Bonds exceeds, or if such issue would cause the Total Nominal Amount of the Bonds at any time to exceed, NOK 150,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
  - (b) a change to the terms of any of Clause 2.1, and Clauses 2.6 to 2.8;
  - (c) a change to the definition of Early Redemption Amount;
  - (d) a change to the Interest Rate or the Nominal Amount;
  - (e) a change to the terms for the distribution of proceeds set out in Clause 21 (*Distribution of proceeds*);

- (f) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 23;
- (g) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
- (h) a release of the Transaction Security, except in accordance with the terms of the Security Documents;
- (i) a mandatory exchange of the Bonds for other securities; and
- (j) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 20 (*Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.

23.9 Any matter not covered by Clause 23.8 shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 25.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 26.1(a) or (b)), an acceleration of the Bonds, the appointment of a Bondholders' Committee, or the enforcement of any Transaction Security.

23.10 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount:

- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

If a quorum exists for some but not all of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

23.11 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 24.1) or initiate a second Written Procedure (in accordance with Clause 25.1), as the case may be, provided that the person(s) who initiated the procedure for Bondholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 23.11, the date of request of the second Bondholders' Meeting pursuant to Clause 24.1 or second Written Procedure pursuant to Clause 25.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 23.10 shall not apply to such second Bondholders' Meeting or Written Procedure.

23.12 Any decision which extends or increases the obligations of the Issuer or the Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Trustee, under the Finance Documents shall be subject to the Issuer's or the Trustee's consent, as applicable.

- 23.13 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 23.14 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 23.15 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 23.16 All costs and expenses incurred by the Issuer or the Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, shall be paid by the Issuer.
- 23.17 If a decision is to be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Trustee provide the Trustee with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Trustee shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Bond is owned by a Group Company or an Affiliate.
- 23.18 The Trustee shall procure that the Issuer, the Bondholders and, if applicable, the Exchange, are notified of decisions taken at a Bondholders' Meeting or by way of a Written Procedure, and that the decisions are published on the website of the Trustee (alternatively by press release or other relevant information platform), provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Trustee.

## **24. BONDHOLDERS' MEETING**

- 24.1 The Trustee shall convene a Bondholders' Meeting as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). The notice convening the Bondholders' Meeting shall be sent to all Bondholders registered in the CSD at the time the notice is sent from the CSD or by the Trustee (as applicable). If the Bonds are listed, the Issuer shall ensure that the notice is published in accordance with the applicable regulations of the Exchange. The notice shall also be published on the website of the Trustee (alternatively by press release or other relevant information platform).
- 24.2 The notice pursuant to Clause 24.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders), (iv) the day on which a person must be a Bondholder in order to exercise Bondholders' rights at the Bondholders' Meeting, and (v) a form of power of attorney.

Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

- 24.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.
- 24.4 A Bondholders' Meeting may be held on premises selected by the Trustee, or if Clause 23.4 applies, by the person convening the Bondholders' Meeting (however to be held in Oslo, Norway). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Trustee. If the Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting.
- 24.5 The chair of the Bondholders' Meeting may, in its sole discretion, decide on accepted evidence of ownership of Bonds included in the Adjusted Nominal Amount, and otherwise determine any question concerning whether any Bonds shall be considered to be included in the Adjusted Nominal Amount.
- 24.6 Without amending or varying these Terms and Conditions, the Trustee may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Trustee may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **25. WRITTEN PROCEDURE**

- 25.1 The Trustee shall instigate a Written Procedure as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). The communication instigating a Written Procedure shall be sent to the Bondholders registered in the CSD at the time the communication is sent from the CSD or the Trustee (as applicable) and published on the Trustee's website, or other relevant electronic platform or via press release. If the Bonds are listed, the Issuer shall ensure that the communication is published in accordance with the applicable regulations of the Exchange.
- 25.2 A communication pursuant to Clause 25.1 shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions as to how to vote in respect of each separate item and a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 25.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- 25.3 When consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 23.8 and 23.9 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 23.8 or 23.9, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.



- 25.4 The effective date of a decision adopted prior to the expiry of the time period for replies in the Written Procedure is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.

## **26. AMENDMENTS AND WAIVERS**

- 26.1 The Issuer and the Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Bondholders as a group in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (c) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 23 (*Decisions by Bondholders*).
- 26.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- 26.3 The Trustee shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 26.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 16.4 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 26.4 An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Trustee, as the case may be.

## **27. APPOINTMENT AND REPLACEMENT OF THE TRUSTEE**

### **27.1 Appointment of the Trustee**

- 27.1.1 By subscribing for Bonds, and by virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Terms and Conditions and any other Finance Document, without any further action required to be taken or formalities to be complied with. Each initial Bondholder appoints the Trustee to act as its trustee in all matters relating to the Bonds and the Finance Documents, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer.
- 27.1.2 By subscribing for Bonds, each initial Bondholder further confirms the appointment under the Finance Documents of the Security Agent to act as its agent in all matters relating to the Transaction Security and the Security Documents, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and acknowledges and agrees that the rights, obligations, role of and

limitations of liability for the Security Agent is further regulated in the Security Documents.

- 27.1.3 By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Trustee and the Security Agent to act on its behalf as set out in Clauses 27.1.1 and 27.1.2 above.
- 27.1.4 Each Bondholder shall immediately upon request provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Trustee is under no obligation to represent a Bondholder which does not comply with such request.
- 27.1.5 The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 27.1.6 The Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Trustee's obligations as Trustee under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 27.1.7 The Trustee may act as trustee or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## 27.2 **Duties of the Trustee**

- 27.2.1 The Trustee shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders. However, the Trustee is not responsible for the execution or enforceability of the Finance Documents or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Terms and Conditions.
- 27.2.2 When acting in accordance with the Finance Documents, the Trustee is always acting with binding effect on behalf of the Bondholders. The Trustee shall act in the best interest of the Bondholders as a group and carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 27.2.3 The Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Group Company unless to the extent expressly set out in these Terms and Conditions, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Trustee is entitled to assume that no Event of Default has occurred.
- 27.2.4 The Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Trustee takes any action pursuant to the instruction.

- 27.2.5 The Trustee is entitled to delegate its duties to other professional parties, but the Trustee shall remain liable for the actions of such parties under the Finance Documents.
- 27.2.6 The Trustee shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 27.2.7 The Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Trustee pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or the Transaction Security which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Trustee from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 21 (*Distribution of proceeds*).
- 27.2.8 The Trustee shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Trustee, as may be necessary in order for the Trustee to carry out its duties under the Finance Documents.
- 27.2.9 Notwithstanding any other provision of the Finance Documents to the contrary, the Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 27.2.10 If in the Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 27.2.11 The Trustee shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents, or (ii) if it refrains from acting for any reason described in Clause 27.2.10.
- 27.2.12 The Trustee may instruct the CSD to split the Bonds to a lower nominal amount in order to facilitate partial redemptions, restructuring of the Bonds or in other situations.
- 27.3 **Limited liability for the Trustee**
- 27.3.1 The Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Trustee shall never be responsible for indirect loss.
- 27.3.2 Any liability for the Trustee for damage or loss is limited to the amount of the outstanding Bonds. The Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person

- 27.3.3 The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 27.3.4 The Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Trustee to the Bondholders, provided that the Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Trustee for that purpose.
- 27.3.5 The Trustee shall have no liability to the Bondholders for damage caused by the Trustee acting in accordance with instructions of the Bondholders given in accordance with Clause 23 (*Decisions by Bondholders*) or a demand by Bondholders given pursuant to Clause 20.1.
- 27.3.6 Any liability towards the Issuer which is incurred by the Trustee in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- 27.4 Replacement of the Trustee**
- 27.4.1 Subject to Clause 27.4.6, the Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.
- 27.4.2 Subject to Clause 27.4.6, if the Trustee is Insolvent, the Trustee shall be deemed to resign as Trustee and the Issuer shall within ten (10) Business Days appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as trustee under debt issuances.
- 27.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Trustee be dismissed and a new Trustee appointed.
- 27.4.4 If the Bondholders have not appointed a successor Trustee within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Trustee was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as trustee under debt issuances.
- 27.4.5 The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under the Finance Documents.

- 27.4.6 The Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee.
- 27.4.7 Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Trustee.
- 27.4.8 In the event that there is a change of the Trustee in accordance with this Clause 27.4, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents. Unless the Issuer and the new Trustee agree otherwise, the new Trustee shall be entitled to the same fees and the same indemnities as the retiring Trustee.
- 27.5 **Security Agent**
- 27.5.1 The Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent include holding Transaction Security on behalf of the Secured Parties and, where relevant, enforcing the Transaction Security on behalf of the Bondholders, and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents. However, the Security Agent is not responsible for the perfection of the Transaction Security.
- 27.5.2 The Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- 27.5.3 Unless and until the Trustee has received instructions from the Bondholders in accordance with Clause 23 (*Decisions by Bondholders*), the Trustee shall, when acting as Security Agent for the Bonds (without first having to obtain the Bondholders' consent), be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Trustee's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.
- 27.5.4 For the purpose of exercising the rights of the Secured Parties, the Trustee may, when acting as Security Agent for the Bonds, instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD and from which payments under the Bonds are made to another bank account. The Issuer shall immediately upon request by the Trustee provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee and the CSD), that the Trustee deems necessary

for the purpose of exercising its rights and/or carrying out its duties under this Clause 27.5.4.

- 27.5.5 The Trustee shall, when acting as Security Agent for the Bonds, be entitled to release all Transaction Security upon the full discharge of the Secured Obligations, in accordance with the terms of the Security Documents and as otherwise provided for in these Terms and Conditions.
- 27.5.6 Before the appointment of a Security Agent other than the Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Trustee.
- 27.5.7 The functions, rights and obligations of the Security Agent may be determined by a security agent agreement to be entered into between the Trustee and the Security Agent, which the Trustee shall have the right to require the Issuer and any other party to a Finance Document to sign as a party, or, at the discretion of the Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate security agent agreement has been entered into.
- 27.5.8 The provisions set out in Clause 27.3 (*Limited liability for the Trustee*) shall apply mutatis mutandis to any liability of the Security Agent in connection with the Finance Documents.
- 27.5.9 The provisions set out in Clause 27.4 (*Replacement of the Trustee*) shall apply mutatis mutandis in relation to the replacement of the Security Agent.

## **28. APPOINTMENT AND REPLACEMENT OF THE PAYING AGENT**

- 28.1 The Issuer has appointed the Paying Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 28.2 The Paying Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Paying Agent at the same time as the old Paying Agent retires or is dismissed. If the Paying Agent is Insolvent, the Issuer shall immediately appoint a new Paying Agent, which shall replace the old Paying Agent as paying agent in accordance with these Terms and Conditions.
- 28.3 The Paying Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Paying Agent, as may be necessary in order for the Paying Agent to carry out its duties under the Terms and Conditions.

## **29. APPOINTMENT AND REPLACEMENT OF THE CSD**

- 29.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- 29.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorised to professionally conduct clearing operations and be authorised as a central securities depository in accordance with applicable law.

### **30. NO DIRECT ACTIONS BY BONDHOLDERS**

- 30.1 A Bondholder may not take any steps whatsoever against any Group Company or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction) of any Group Company in relation to any of the obligations and liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Trustee.
- 30.2 Clause 30.1 shall not apply if the Trustee has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 27.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Trustee under the Finance Documents or by any reason described in Clause 27.2.10, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 27.2.11 before a Bondholder may take any action referred to in Clause 30.1.
- 30.3 The provisions of Clause 30.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 14.5 (*Mandatory repurchase due to a Change of Control Event*) or other payments which are due by the Issuer to some but not all Bondholders.

### **31. LIMITATION OF CLAIMS**

- 31.1 All claims for payment under the Finance Documents, including interest and principal, will be subject to the provisions of the Norwegian Limitations Act.

### **32. NOTICES AND PRESS RELEASES**

#### **32.1 Notices**

- 32.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:
- (a) if to the Trustee, shall be given at the address registered with the Norwegian Business Register (Nw. *Foretaksregisteret*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Trustee to the Issuer from time to time;
  - (b) if to the Issuer, shall be given at the address registered with the Norwegian Business Register on the Business Day prior to dispatch or, if sent by email by the Trustee, to the email address notified by the Issuer to the Trustee from time to time; and
  - (c) if to the Bondholders, shall (i) if made by the Trustee, be sent via the CSD with a copy to the Issuer, and (ii) if made by the Issuer, be sent via the Trustee, alternatively through the CSD and/or to their addresses as registered with the CSD, in both cases with a copy to the Trustee. A notice to the Bondholders shall also be published on the websites of the Trustee.

32.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery (or, in terms of notice or other communication to the Bondholders, delivered through the CSD as set out in Clause 32.1.1 (c) above) or letter, or, if between the Issuer and the Trustee, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 32.1.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 32.1.1, in case of email, when received in readable form by the email recipient, or in case of notice or other communication posted through the CSD, on the date of the message being issued by the CSD.

32.1.3 Any notice pursuant to the Finance Documents shall be in English.

32.1.4 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

## 32.2 **Press releases**

32.2.1 If any information relating to the Bonds or the Group contained in a notice the Trustee may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Trustee shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Trustee considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Trustee shall be entitled to issue such press release.

## 33. **FORCE MAJEURE AND LIMITATION OF LIABILITY**

33.1 Neither the Trustee nor the Paying Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Trustee or the Paying Agent itself takes such measures, or is subject to such measures.

33.2 The Paying Agent shall have no liability to the Bondholders if it has observed reasonable care. The Paying Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

33.3 Should a Force Majeure Event arise which prevents the Trustee or the Paying Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

33.4 The provisions in this Clause 33 (*Force Majeure and Limitation of Liability*) apply unless they are inconsistent with mandatory law.

## 34. **GOVERNING LAW AND JURISDICTION**

34.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Norway.



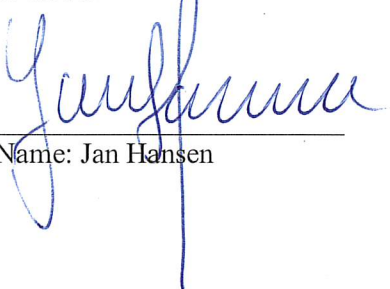
- 34.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Oslo (Nw. *Oslo tingrett*).
- 34.3 Clause 34.2 shall above not limit the right of the Trustee (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
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We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Larvik, Norway

Date: 7 May 2020

Inter Eiendom Finans AS  
as Issuer

  
Name: Jan Hansen

We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.

Place: Oslo, Norway

Date: 7 May 2020

Intertrust (Norway) AS  
as Trustee and Security Agent

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Name: Andreas W. Hennyng