



**Svea Bank AB**

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Terms and Conditions

SEK 300,000,000

Perpetual Additional Tier 1 Capital Bonds

ISIN SE0021150737

Dated on 18 December 2023

VINGE

## **SELLING RESTRICTIONS**

No action is being taken 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 other than Sweden, 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.

## **PRIVACY NOTICE**

The Issuer, the Agent and the Issuing Agent may collect and process personal data relating to the Bondholders, the Bondholders' representatives or agents, and other persons nominated to act on behalf of the Bondholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Bonds). The personal data relating to the Bondholders is primarily collected from the registry kept by the CSD. The personal data relating to other persons is primarily collected directly from such persons.

The personal data collected will be processed by the Issuer, the Agent and the Issuing Agent for the following purposes:

- (a) to exercise their respective rights and fulfil their respective obligations under the Finance Documents;
- (b) to manage the administration of the Bonds and payments under the Bonds;
- (c) to enable the Bondholders' to exercise their rights under the Finance Documents; and
- (d) to comply with their obligations under applicable laws and regulations.

The processing of personal data by the Issuer, the Agent and the Issuing Agent in relation to items (a) to (c) is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to item (d), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, the Agent or the Issuing Agent. Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

Personal data collected may be shared with third parties, such as the CSD, when necessary to fulfil the purpose for which such data is processed.

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Agent and the Issuing Agent, respectively. In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format. Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites [www.svea.com](http://www.svea.com), [www.intertrustgroup.com](http://www.intertrustgroup.com) and [www.dnb.se](http://www.dnb.se).

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# 1 Definitions and construction

## 1.1 Definitions

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

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator pursuant to the Financial Instruments Accounts Act and through which a Bondholder has opened a Securities Account in respect of its Bonds.

“**Additional Tier 1 Capital**” means additional tier 1 capital (Sw. *övrigt primärkapital*) as defined in Chapter 3 of the CRR and/or any other Capital Regulations.

“**Adjusted Nominal Amount**” means the Total Nominal Amount less the aggregate 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.

“**Affiliate**” means (i) an entity controlling or under common control with the Issuer, other than a Group Company, and (ii) any other person or entity owning any Bonds (irrespective of whether such person is directly registered as owner of such Bonds) that has undertaken towards a Group Company or an entity referred to in item (i) to vote for such Bonds in accordance with the instructions given by a Group Company or an entity referred to in item (i). For the purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of voting securities, by agreement or otherwise.

“**Agency Agreement**” means the agency agreement entered into on or before the Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the Issue Date between the Issuer and an agent.

“**Agent**” means Intertrust (Sweden) AB, Reg. No. 556625-5476, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

“**Base Rate**” means STIBOR or any reference rate replacing STIBOR in accordance with Clause 19 (*Replacement of Base Rate*).

“**Base Rate Administrator**” means Swedish Financial Benchmark Facility AB (SFBF) in relation to STIBOR, or any person replacing it as administrator of the Base Rate.

“**Bond**” means a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions.

“**Bondholder**” means the person who is registered on a Securities Account as direct registered owner (Sw. *direktregistrerad ägare*) or nominee (Sw. *förvaltare*) with respect to a Bond.

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clauses 17.1 (*Request for a decision*), 17.3 (*Convening of Bondholders’ Meeting*) and 17.5 (*Majority, quorum and other provisions*).

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year’s Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

**“Business Day Convention”** means the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.

**“Capital Disqualification Event”** means, at any time on or after the Issue Date, there is a change in the regulatory classification of the Bonds that would be likely to result in the exclusion of the Bonds (in whole or in part) from the Additional Tier 1 Capital of the Issuer and/or the Issuer Consolidated Situation or reclassification of the Bonds (in whole or in part) as a lower quality form of regulatory capital, provided that:

- (a) the Swedish FSA considers such a change to be sufficiently certain; and
- (b) the Issuer demonstrates to the satisfaction of the Swedish FSA that the regulatory reclassification of the Bonds was not reasonably foreseeable at the Issue Date,

and provided that such exclusion is not a result of any applicable limitation on the amount of such Additional Tier 1 Capital contained in the Capital Regulations.

**“Capital Regulations”** means, at any time, regulations, directives, guidelines, policies or similar of the EU and its institutions, including the CRD and any delegated act adopted by the European Commission thereunder, as well as the legal acts, regulations, requirements, guidelines and policies relating to capital adequacy as then applied in Sweden by the Swedish Government, the Swedish FSA (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Issuer Consolidated Situation) and/or any European successor in effect.

**“Common Equity Tier 1 Capital”** means, at any time, the common equity tier 1 capital (Sw. *kärnprimärkapital*) of the Issuer or the Issuer Consolidated Situation, respectively, as defined in Chapter 2 of Part Two of the CRR and/or any other Capital Regulations at such time.

**“Common Equity Tier 1 Capital Ratio”** means, at any time:

- (a) in relation to the Issuer, the ratio (expressed as a percentage) of the aggregate amount of the Common Equity Tier 1 Capital of the Issuer at such time, divided by the Risk Weighted Assets of the Issuer at such time; and
- (b) in relation to the Issuer Consolidated Situation, the ratio (expressed as a percentage) of the aggregate amount of the Common Equity Tier 1 Capital of the Issuer Consolidated Situation at such time, divided by the Risk Weighted Assets of the Issuer Consolidated Situation at such time,

in each case, as calculated by the Issuer in accordance with the Capital Regulations and as reported to the Swedish FSA.

**“CRD”** means the legislative package consisting of the CRD IV Directive, CRD V Directive, the CRR, the CRR II and any CRD Implementing Measures.

**“CRD Implementing Measures”** means any regulatory capital rules, regulations or other requirements implementing (or promulgated in the context of) the CRD IV Directive, the CRD V Directive, the CRR or the CRR II which may from time to time be introduced, including, but not limited to, delegated or implementing acts or regulations (including technical standards) adopted by the European Commission, national laws and regulations, adopted by the Swedish FSA and guidelines issued by the Swedish FSA, the European Banking Authority or any other relevant authority, which are applicable to the Issuer or the Issuer Consolidated Situation, as applicable.

“**CRD IV Directive**” means Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time.

“**CRD V Directive**” means Directive 2019/878/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 27 June 2019, as the same may be amended or replaced from time to time.

“**CRR**” means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time.

“**CRR II**” means Regulation (EU) No. 876/2019 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 27 June 2019, as the same may be amended or replaced from time to time.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or any other party replacing it, as CSD, in accordance with these Terms and Conditions.

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

“**Debt Register**” means the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds in which a Bondholder is registered.

“**Distributable Items**” means the amount of the profits at the end of the of the last financial year, plus any profits brought forward and reserves available for that purpose before distributions to holders of own funds instruments (Sw. *kapitalbasinstrument*) (excluding, for the avoidance of doubt, distributions to holders of any Tier 2 Capital instruments) less any losses brought forward, profits which are non-distributable pursuant to any applicable legislation or the Issuer’s articles of association and sums placed to non-distributable reserves in accordance with applicable legislation or the Issuer’s articles of association, those losses and reserves being determined on the basis of the audited annual financial statements of the Issuer in respect of such financial year.

“**Finance Documents**” means these Terms and Conditions and any other document designated as a “Finance Document” by the Agent and the Issuer.

“**Financial Instruments Accounts Act**” means the Swedish Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

“**First Call Date**” means the Interest Payment Date falling on or immediately after the fifth (5th) anniversary of the Issue Date (being 20 December 2028).

“**Force Majeure Event**” has the meaning set forth in Clause 26.1.

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

“**Initial Call Period**” means the period commencing on (and including) the First Call Date and ending on (and including) the Interest Payment Date falling on or immediately after three months of the First Call Date.

“**Insolvent**” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with all or substantially all of its creditors (other than the Bondholders and creditors of secured debt) with a view to rescheduling any of its indebtedness (including, if applicable, company reorganisation under the Swedish Company Reorganisation Act (Sw. *lag (2022:964 om företagsrekonstruktion)*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

“**Interest**” means the interest on the Bonds calculated in accordance with Clause 8.1

“**Interest Payment Date**” means 20 March, 20 June, 20 September and 20 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 20 March 2024 and the last Interest Payment Date shall be the relevant Redemption Date.

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

“**Interest Rate**” means the Base Rate plus 7.50 per cent. *per annum* as adjusted by any application of Clause 19 (*Replacement of Base Rate*).

“**Issue Date**” means 20 December 2023.

“**Issuer**” means Svea Bank AB, a public limited liability company incorporated under the laws of Sweden with Reg. No. 556158-7634.

“**Issuer Consolidated Situation**” means the Issuer and its subsidiaries and any other entities which are part of the Swedish prudential consolidated situation (as such term is used in the Capital Regulations) of which the Issuer is part, from time to time.

“**Issuing Agent**” means DNB Bank ASA, Sweden Branch, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions and the CSD Regulations.

“**Nominal Amount**” has the meaning set forth in Clause 2.4.

“**Qualifying Securities**” means securities issued directly by the Issuer following a substitution or variation of the Bonds in accordance with Clause 10.4(b) that have terms not materially less favourable to investors, certified by the Issuer acting reasonably (having consulted with an independent investment bank or independent financial adviser of international standing), than the terms of the Bonds (immediately prior to the relevant substitution or variation), provided that they shall:

- (a) include a ranking at least equal to that of the Bonds;

- (b) have at least the same Interest Rate and the same Interest Payment Dates as those applying to the Bonds;
- (c) have the same redemption rights as the Bonds;
- (d) preserve any existing rights under the Bonds to any accrued interest which has not been paid but which has not been cancelled in respect of the period from (and including) the Interest Payment Date last preceding the date of the relevant substitution or variation of the Bonds;
- (e) are assigned (or maintain) the same or higher credit ratings as were assigned to the Bonds (if any) immediately prior to the relevant substitution or variation of the Bonds; and
- (f) comply with the then current requirements for Additional Tier 1 Capital contained in the Capital Regulations.

If the Bonds were admitted to trading on a Regulated Market immediately prior to the relevant substitution or variation, the Issuer shall use reasonable efforts to ensure that the relevant Qualifying Securities are admitted to trading on a Regulated Market within sixty (60) days from their issuance.

“**Quotation Day**” means, in relation to any other period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

“**Record Date**” means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 16 (*Distribution of proceeds*), (iv) a date of a Bondholders’ Meeting or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date (if any) on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and repurchase of the Bonds*).

“**Regulated Market**” means any regulated market (as defined in Directive 2014/65/EU on markets in financial instruments).

“**Risk Weighted Assets**” means, at any time, with respect to the Issuer or the Issuer Consolidated Situation, the aggregate amount of the risk weighted assets (or any equivalent or successor term) of the Issuer or the Issuer Consolidated Situation, as the case may be, in each case as calculated by the Issuer in accordance with the Capital Regulation.

“**Securities Account**” means the account for dematerialised securities (Sw. *avstämningsregister*) maintained by the CSD pursuant to the Financial Instruments Accounts 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.

“**STIBOR**” means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Swedish Financial Benchmark Facility AB (or any person replacing it as administrator) for Swedish Kronor and for a period comparable to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or



on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;

- (b) if no rate as described in paragraph (a) above is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for Swedish Kronor;
- (c) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period, the arithmetic mean of the Stockholm interbank offered rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

“**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (Sw. *dotterföretag*) to such person, directly or indirectly, as defined in the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

“**Swedish FSA**” means the Swedish financial supervisory authority (Sw. *Finansinspektionen*) or such other governmental authority in Sweden having primary bank supervisory authority with respect to the Issuer and the Issuer Consolidated Situation.

“**Swedish Kronor**” and “**SEK**” means the lawful currency of Sweden.

“**Tax Event**” means the occurrence of any amendment to, clarification of or change in the laws, treaties or regulations of Sweden affecting taxation (including any change in the interpretation by any court or authority entitled to do so) or any governmental action, on or after the Issue Date and which was not foreseeable at the Issue Date, resulting in that:

- (a) the Issuer is, or becomes, subject to a significant amount of additional taxes, duties or other governmental charges or civil liabilities with respect to the Bonds; or
- (b) the treatment of any of the Issuer’s items of income or expense with respect to the Bonds as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be accepted by any tax authority, which subjects the Issuer to a significant amount of additional taxes, duties or governmental charges,

provided that the Issuer satisfies the Swedish FSA that such change in tax treatment of the Bonds is material and was not reasonably foreseeable as at the Issue Date.

“**Tier 2 Capital**” means tier 2 capital (Sw. *supplementärkapital*) as defined in Chapter 4 of the CRR and/or any other Capital Regulation applicable at such time.

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

“**Trigger Event**” means, at any time, an event where (i) the Common Equity Tier 1 Capital Ratio of the Issuer has fallen below 5.125 per cent, or (ii) the Common Equity Tier 1 Capital Ratio of the Issuer Consolidated Situation has fallen below 7.00 per cent, in each case as determined by the Issuer and/or the Swedish FSA (or any agent appointed for such purpose by the Swedish FSA).

“**Write Down Date**” has the meaning as set forth in Clause 9.1.2.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clauses 17.1 (*Request for a decision*), 17.4 (*Instigation of Written Procedure*) and 17.5 (*Majority, quorum and other provisions*).

## **1.2 Construction**

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

- (a) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (b) a “**regulation**” includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (c) a provision of law is a reference to that provision as amended or re-enacted; and
- (d) a time of day is a reference to Stockholm time.

1.2.2 When ascertaining whether a limit or threshold specified in Swedish Kronor 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 Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.

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

1.2.4 No delay or omission of the Agent 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.

1.2.5 The selling restrictions, the privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Agent.

## **2 Status of the Bonds**

2.1 The Bonds are intended to constitute Additional Tier 1 Capital of the Issuer. The Bonds constitute subordinated and unsecured obligations of the Issuer and will at all times rank:

- (a) *pari passu* without any preference among themselves;
- (b) *pari passu* with (i) any obligations or capital instruments of the Issuer which constitute Additional Tier 1 Capital and (ii) any other obligations or capital instruments of the Issuer that rank or are expressed to rank equally with the Bonds, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (c) senior to holders of all classes of the Issuer’s shares in their capacity as such holders and any other obligations or capital instruments of the Issuer that rank or are expressed to rank junior to the Bonds, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and

- (d) junior to any present and future claims of (i) depositors of the Issuer, (ii) any other unsubordinated creditors of the Issuer, and (iii) except as expressly stated in (b) above, any subordinated creditors, including for the avoidance of doubt holders of bonds which constitute Tier 2 Capital.
- 2.2 The Bonds are denominated in Swedish Kronor 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, subject to and in accordance with these Terms and Conditions.
- 2.3 By subscribing for Bonds, 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.
- 2.4 The initial nominal amount of each Bond is SEK 1,250,000 (the “**Nominal Amount**”). The aggregate nominal amount of the Bonds is SEK 300,000,000. The Nominal Amount and the Total Nominal Amount may be subject to a write-down, and subsequent reinstatement, in each case on a *pro rata* basis, in accordance with Clause 9 (*Loss absorption and reinstatement*), and “Nominal Amount” shall be construed accordingly.
- 2.5 Each Bond is issued on a fully paid basis at an issue price of 100 per cent of the Nominal Amount.
- 2.6 A Bondholder or the Agent may only declare the Bonds (and any accrued interest) due and payable in the event of the liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer.
- 2.7 No Bondholder who in the event of the liquidation or bankruptcy of the Issuer is indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of Bonds held by such Bondholder.
- 2.8 The Issuer reserves the right to issue further subordinated bonds and other subordinated obligations in the future, which may rank *pari passu* or senior with the Bonds as well any capital instruments of the Issuer, which may rank junior to the Bonds.
- 2.9 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.
- 2.10 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 other than Sweden, 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 Purpose and use of proceeds**

The Bonds shall constitute Additional Tier 1 Capital of the Issuer and the proceeds from the issue of the Bonds shall be used (after deduction has been made for the transaction costs payable by the Issuer to the Issuing Agent and its professional advisors for the services provided in relation to the placement and issuance of the Bonds) for general corporate purposes of the Issuer.

## **4 Conditions for disbursement**

- 4.1 The Issuer shall provide to the Agent, prior to the issuance of the Bonds the following, in form and substance satisfactory to the Agent:
- (a) the certificate of incorporation and the articles of association of the Issuer;
  - (b) the Finance Documents and the Agency Agreement duly executed by the Issuer;
  - (c) a copy of a resolution from the board of directors of the Issuer approving the issue of the Bonds, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
  - (d) evidence that the person(s) who has/have signed the Finance Documents, the Agency Agreement and any other documents in connection therewith on behalf of the Issuer are duly authorised to do so; and
  - (e) such other documents and information as is agreed between the Agent and the Issuer.
- 4.2 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.
- 4.3 The Agent shall confirm to the Issuing Agent when the conditions in Clause 4.1 have been satisfied.

## **5 Bonds in book-entry form**

- 5.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Bondholders and their holdings of Bonds.
- 5.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), 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 Financial Instruments Accounts Act.
- 5.3 The Issuer and the Agent shall be entitled to obtain information from the Debt Register. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 5.5 The Issuer and the Agent may use the information referred to in Clause 5.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

## **6 Right to act on behalf of a Bondholder**

- 6.1 If any person other than a Bondholder (including the owner of a Bond, if such person is not the Bondholder) wishes to exercise any rights under the Finance Documents, it must obtain

a power of attorney or other authorisation from the Bondholder or a successive, coherent chain of powers of attorney or authorisations starting with the Bondholder and authorising such person.

- 6.2 A Bondholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held 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.
- 6.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clause 6.2 and may assume that such document 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 Agent has actual knowledge to the contrary.
- 6.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw. *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

## **7 Payments in respect of the Bonds**

- 7.1 Any payment or repayment under the Finance Documents shall be made to such person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant payment date, or to such other person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 7.2 Provided that a Bondholder has registered an income account (Sw. *avkastningskonto*) for the relevant Securities Account on the applicable Record Date, the CSD shall procure that principal, interest and other payments under the Bonds are deposited to such income account on the relevant payment date. If an income account has not been registered on the Record Date for the payment, no payment will be effected by the CSD to such Bondholder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Bondholder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.3 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. For the avoidance of doubt, such postponement shall in no event constitute an event of default.
- 7.4 If payment or repayment is made in accordance with this Clause 7, the Issuer shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax (including but not limited to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto), public levy or the similar.

## **8 Interest and Interest calculation**

### **8.1 Interest**

- 8.1.1 Each Bond carries Interest at the Interest Rate from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.
- 8.1.2 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.
- 8.1.3 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).
- 8.1.4 Under no circumstances shall any penalty (Sw. *dröjsmålsränta*) interest be payable by the Issuer in respect of the Bonds.

### **8.2 Interest cancellation**

- 8.2.1 Any payment of Interest in respect of the Bonds shall be payable only out of the Issuer's Distributable Items and:
- (i) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the Capital Regulation; or
  - (ii) will be mandatorily cancelled to the extent so required by the Capital Regulations, including the applicable criteria for Additional Tier 1 Capital instruments.
- 8.2.2 The Issuer shall give notice to the Bondholders in accordance with Clause 25 (*Notices and press releases*) of any such cancellation of a payment of Interest, which notice might be given after the date on which the relevant payment of Interest is scheduled to be made. Notwithstanding the foregoing, failure to give such notice shall not prejudice the right of the Issuer not to pay Interest as described above.
- 8.2.3 Following any cancellation of Interest as described above, the right of the Bondholders to receive accrued Interest in respect of any such Interest Period will terminate and the Issuer will have no further obligation to pay such Interest or to pay interest thereon, whether or not payments of Interest in respect of subsequent Interest Periods are made, and such unpaid Interest will not be deemed to have "accrued" or been earned for any purpose, nor will the non-payment of such Interest constitute an event of default or similar.

### **8.3 Calculation of Interest in case of write-down or reinstatement**

- 8.3.1 Subject to Clause 8.2 (*Interest cancellation*), in the event that a write-down of the Bonds occurs pursuant to Clause 9.1 (*Loss absorption upon a Trigger Event*) during an Interest Period, Interest will continue to accrue on the Nominal Amount (as adjusted).
- 8.3.2 Subject to Clause 8.2 (*Interest cancellation*), in the event that a reinstatement of the Bonds occurs pursuant to Clause 9.2 (*Reinstatement of the Bonds*), Interest shall begin to accrue on the reinstated Nominal Amount.
- 8.3.3 In connection with a write-down or write-up pursuant to Clause 9 (*Loss absorption and reinstatement*), the Issuer shall inform the CSD of the adjusted interest that shall be applied on the next Interest Payment Date, in order for the Bondholders to receive an amount of

Interest equivalent to the Interest Rate on the Nominal Amount so written down or written up (as applicable).

## **9 Loss absorption and reinstatement**

### **9.1 Loss absorption upon a Trigger Event**

- 9.1.1 If at any time a Trigger Event occurs, the Issuer shall immediately notify the Swedish FSA, the Bondholders and the Agent in accordance with Clause 25 (*Notices and press releases*) and the Total Nominal Amount or the Issuer's payment obligation under the Bonds shall be written down in accordance with this Clause 9.1 (*Loss absorption upon a Trigger Event*). If the Bonds are to be written down, the Issuer shall notify the Bondholders and the Agent in accordance with Clause 25 (*Notices and press releases*). A failure to give such notice shall in no event prejudice any write-down of the Bonds.
- 9.1.2 A write-down shall take place on a date selected by the Issuer in consultation with the Swedish FSA (the "**Write Down Date**") but no later than one month following the occurrence of the relevant Trigger Event unless, in accordance with the Capital Regulations, the Swedish FSA has agreed with the Issuer in writing that a write-down may occur after a longer period, in which case, on such date as agreed with the Swedish FSA.
- 9.1.3 A write-down shall be made as a reduction of the Total Nominal Amount and such write-down shall be considered to be an unconditional capital contribution (Sw. *ovillkorat kapitaltillskott*) and shall be made in consultation with the Swedish FSA and in accordance with the rules of the CSD.
- 9.1.4 The amount of the reduction of the Total Nominal Amount on the Write Down Date shall equal the amount of a write-down that would restore the Common Equity Tier 1 Capital Ratio to at least 5.125 per cent. in respect of the Issuer and at least 7.00 per cent. in respect of the Issuer Consolidated Situation at the point of such write-down, provided that the maximum reduction of the Total Nominal Amount shall be down to a Nominal Amount per Bond corresponding to SEK 1. A write-down in accordance with this Clause 9.1 (*Loss absorption upon a Trigger Event*) shall be made taking into account any preceding or imminent write-down of corresponding or similar loss absorbing instruments issued by the Issuer or a member of the Issuer Consolidated Situation, including but not limited to Additional Tier 1 Capital instruments (other than the Bonds).
- 9.1.5 The Nominal Amount of each Bond shall, upon the write-down of the Total Nominal Amount described above, be written down on a *pro rata* basis.

### **9.2 Reinstatement of the Bonds**

- 9.2.1 Following a write-down of the Total Nominal Amount in accordance with Clause 9 (*Loss absorption and reinstatement*), the Issuer may, at its absolute discretion, reinstate the Bonds, subject to compliance with any maximum distribution limits set out the Capital Regulations.
- 9.2.2 Reinstatement shall be made by way of issuing new bonds to the relevant Bondholders that qualify as Additional Tier 1 Capital of the Issuer. Any such new bond issuance shall specify the relevant details of the manner in which such new bond issuance shall take effect and where the Bondholders can obtain copies of the new terms and conditions of the new bonds. Such new bonds shall be issued without any cost or charge to the Bondholders and shall be made in accordance with the rules of the CSD.
- 9.2.3 A reinstatement in accordance with this Clause 9.2 (*Reinstatement of the Bonds*) shall be made taking into account any preceding or imminent reinstatement of corresponding or

similar loss absorbing instruments issued by the Issuer, including but not limited to Additional Tier 1 Capital instruments (other than the Bonds).

- 9.2.4 Any reinstatement of the Bonds shall be made on a *pro rata* basis.
- 9.2.5 For the avoidance of doubt, at no time may the reinstated Total Nominal Amount exceed the original Total Nominal Amount of the Bonds (if issued in full), being SEK 300,000,000.
- 9.2.6 If the Issuer decides to reinstate the Bonds, the Issuer shall notify the Bondholders and the Agent in accordance with Clause 25 (*Notices and press releases*) prior to such reinstatements becoming effective. A notice of reinstatements under this Clause 9.2.6 shall specify the date on which such reinstatements become effective.

## **10 Redemption and repurchase of the Bonds**

### **10.1 Perpetual Bonds**

The Bonds are perpetual obligations of the Issuer and have no fixed date for redemption. The Issuer may only redeem the Bonds at its discretion in the circumstances described in this Clause 10 (*Redemption and repurchase of the Bonds*). The Bonds are not redeemable at the option of the Bondholders at any time.

### **10.2 Early redemption at the option of the Issuer**

Subject to Clause 10.5 (*Consent from the Swedish FSA*), applicable law and giving notice in accordance with Clause 10.7 (*Notice of early redemption, substitution or variation*), the Issuer may redeem all (but not some only) outstanding Bonds (i) any time within the Initial Call Period or (ii) on any Interest Payment Date falling after the Initial Call Period.

### **10.3 Issuer's purchase of Bonds**

The Issuer or a Group Company may, subject to applicable laws and to Clause 10.5 (*Consent from the Swedish FSA*), at any time on or following the First Call Date and at any price purchase Bonds on the market or in any other way. Such Bonds purchased and held by the Issuer or the Group Company may at its discretion be retained or sold.

### **10.4 Early redemption, substitution or variation upon the occurrence of a Capital Disqualification Event or Tax Event**

Subject to Clause 10.5 (*Consent from the Swedish FSA*) and giving notice in accordance with Clause 10.7 (*Notice of early redemption, substitution or variation*), if a Capital Disqualification Event or Tax Event has occurred, the Issuer may:

- (a) redeem all (but not some only) outstanding Bonds on any Interest Payment Date; or
- (b) substitute or vary the terms of all (but not some only) of the outstanding Bonds without any requirement for the consent or approval of the Bondholders, so that they become or remain, as applicable, Qualifying Securities, provided that such substitution or variation does not itself give rise to any right of the Issuer to redeem, substitute or vary the terms of the Bonds in accordance with this Clause 10.4 (*Early redemption, substitution or variation upon the occurrence of a Capital Disqualification Event or Tax Event*) in relation to the Qualifying Securities so substituted or varied.



## **10.5 Consent from the Swedish FSA**

A Group Company, or any other company forming part of the consolidated situation which the Issuer reports to the Swedish FSA, may not redeem, purchase, substitute or adjust any outstanding Bonds without the prior written consent of the Swedish FSA and in accordance with the Capital Regulation. Any Bonds redeemed or purchased in accordance with this Clause 10.5, may be retained or sold by the relevant Group Company, if such action has been approved by the Swedish FSA and is in compliance with the Capital Regulation.

## **10.6 Early redemption amount**

The Bonds shall be redeemed at a price per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

## **10.7 Notice of early redemption, substitution or variation**

10.7.1 Any redemption, substitution or variation in accordance with Clauses 10.2 (*Early redemption at the option of the Issuer*) and 10.4 (*Early redemption, substitution or variation upon the occurrence of a Capital Disqualification Event or Tax Event*) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any notice of redemption shall state the Redemption Date and the relevant Record Date. Any such notice is irrevocable but may, subject to the Capital Regulations and approval of the Swedish FSA, at the Issuer's discretion contain one or more conditions precedent that shall be fulfilled prior to the Record Date. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

10.7.2 Notwithstanding Clause 10.7.1, if a Trigger Event occurs following a notice given in accordance with Clause 10.7.1 but prior to the relevant redemption, substitution or variation of the Bonds, such notice shall have no effect and Clause 9.1 (*Loss absorption upon a Trigger Event*) shall apply, and, for the avoidance of doubt, no redemption, substitution or variation in accordance with this Clause 10 shall occur.

## **11 Information to Bondholders**

### **11.1 Information from the Issuer**

The Issuer will make the following information available to the Bondholders by way of press release and by publication on the website of the Issuer:

- (a) as soon as the same become available, but in any event within 150 days after the end of each financial year, its audited consolidated financial statements for that financial year;
- (b) as soon as the same become available, but in any event within 60 days after the end of each interim half of its financial year, its unaudited consolidated financial statements or the year-end report (Sw. *bokslutskommuniké*) (as applicable) for such period;
- (c) as soon as the same become available, but in any event within 60 days after the end of each quarter of its financial year, a report on regulatory capital for the Issuer; and
- (d) from and for as long as the Bonds are admitted to trading on any Regulated Market, any other information required by the Swedish Securities Markets Act (Sw. *lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.

## **11.2 Information from the Agent**

The Agent 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 Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information that has occurred and is continuing.

## **11.3 Publication of Finance Documents**

11.3.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the website of the Issuer and the Agent.

11.3.2 The latest versions of the Finance Documents shall be available to the Bondholders at the office of the Agent during normal business hours.

## **12 Admission to trading**

12.1 The Issuer shall use its best efforts to ensure that the Bonds are admitted to trading on Nasdaq Stockholm (or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market) within six (6) months from the Issue Date.

12.2 Following the admission to trading, the Issuer shall use its best efforts to maintain the admission as long as any Bonds are outstanding, but not longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

## **13 Undertakings relating to the Agency Agreement**

13.1 The Issuer shall, in accordance with the Agency Agreement:

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

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

## **14 CSD related undertakings**

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

## **15 Acceleration of the Bonds**

15.1 The Bondholders have no right to accelerate the Bonds or otherwise request prepayment or redemption of the principal amount of the Bonds, except in the event of the liquidation (*Sw. likvidation*) of the Issuer (an “**Acceleration Event**”).

15.2 If an Acceleration Event has occurred, the Agent is, following the instructions of the Bondholders, authorised to (i) by notice to the Issuer, declare all, but not only some, of the

outstanding Bonds due for payment together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

- 15.3 The Issuer shall as soon as possible notify the Bondholders and the Agent of the occurrence of an Acceleration Event.

## **16 Distribution of Proceeds**

- 16.1 In the event of the liquidation or bankruptcy of the Issuer, all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2.5, and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 17.5.11;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds not cancelled in accordance with Clause 8.2 (*Interest cancellation*) (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

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

- 16.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1(a), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1(a).
- 16.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16 as soon as reasonably practicable.
- 16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, 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 also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date.

## **17 Decisions by Bondholders**

### **17.1 Request for a decision**

- 17.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 17.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request 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 Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent'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.
- 17.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if:
- (a) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given; or
  - (b) the suggested decision is not in accordance with applicable regulations.
- 17.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 17.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.1.3 being applicable, the Issuer 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. The Issuer or the Issuing Agent shall upon request provide the convening Bondholder(s) with the information available in the Debt Register in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Bondholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.
- 17.1.6 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17.3 (*Convening of Bondholders' Meeting*) or instigate a Written Procedure by sending communication in accordance with Clause 17.4 (*Instigation of Written Procedure*). After a request from the Bondholders pursuant to Clause 20.4.3, 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 17.3. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.
- 17.1.7 Should the Issuer or any Bondholder(s) convene a Bondholders' Meeting or instigate a Written Procedure pursuant to Clause 17.1.5 or 17.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the

Bondholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

17.2 If any matter decided in accordance with this Clause 17 would require consent from the Swedish FSA, such consent shall be sought by the Issuer.

### **17.3 Convening of Bondholders' Meeting**

17.3.1 The Agent shall convene a Bondholders' Meeting by way of notice to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

17.3.2 The notice pursuant to Clause 17.3.1 shall include:

- (a) time for the meeting;
- (b) place for the meeting;
- (c) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (d) a form of power of attorney;
- (e) the agenda for the meeting;
- (f) any applicable conditions precedent and conditions subsequent;
- (g) the reasons for, and contents of, each proposal;
- (h) if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
- (i) if a notification by the Bondholders is required in order to attend the Bondholders' Meeting, information regarding such requirement; and
- (j) information on where additional information (if any) will be published.

17.3.3 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.

17.3.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

### **17.4 Instigation of Written Procedure**

17.4.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

17.4.2 A communication pursuant to Clause 17.4.1 shall include:

- (a) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights;
- (b) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;

- (c) 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 17.4.1);
- (d) any applicable conditions precedent and conditions subsequent;
- (e) the reasons for, and contents of, each proposal;
- (f) if a proposal concerns an amendment to any Finance Document, the details of such proposed amendment;
- (g) if the voting is to be made electronically, the instructions for such voting; and
- (h) information on where additional information (if any) will be published.

17.4.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 17.4.1, when consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 17.5.2 and 17.5.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.5.2 or 17.5.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

17.4.4 The Agent may, during the Written Procedure, provide information to the Issuer by way of updates whether or not quorum requirements have been met and about the eligible votes received by the Agent, including the portion consenting or not consenting to the proposal(s) or refraining from voting (as applicable).

## **17.5 Majority, quorum and other provisions**

17.5.1 Only a Bondholder, or a person who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to act on behalf of a Bondholder*) from a Bondholder:

- (a) on the Record Date specified in the notice pursuant to Clause 17.3.2, in respect of a Bondholders' Meeting, or
- (b) on the Record Date specified in the communication pursuant to Clause 17.4.2, in respect of a Written Procedure,

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. Each whole Bond entitles to one vote and any fraction of a Bond voted for by a person shall be disregarded. Such Business Day specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

17.5.2 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 17.4.2:

- (a) a change to the terms of any provision in Clause 2 (*Status of the Bonds*);
- (b) a change to the Interest Rate (other than as a result of an application of Clause 19 (*Replacement of Base Rate*)) or the Nominal Amount;
- (c) a change to the terms for the distribution of proceeds set out in Clause 16 (*Distribution of proceeds*);

- (d) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 17.5 (*Majority, quorum and other provisions*); and
  - (e) early redemption of the Bonds, other than as permitted by these Terms and Conditions (which for the avoidance of doubt shall always be subject to Clause 10.5 (*Consent from the Swedish FSA*) above).
- 17.5.3 Any matter not covered by Clause 17.5.2 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 17.4.2. 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 18.1(a), (b), (c), (d) or (e)).
- 17.5.4 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 in case of a matter pursuant to Clause 17.5.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 17.3.4 (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 17.5.5 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.
- 17.5.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17.3.1) or initiate a second Written Procedure (in accordance with Clause 17.4.1), 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 17.5.6, the date of request of the second Bondholders' Meeting pursuant to Clause 17.3.1 or second Written Procedure pursuant to Clause 17.4.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 17.5.4 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 17.5.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- 17.5.8 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.
- 17.5.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such person is a Bondholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that vote in respect of the proposal at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable.

- 17.5.10 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 the Issuer or the other Bondholders.
- 17.5.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.5.12 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 Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates as per the Record Date for voting, irrespective of whether such person is a Bondholder. The Agent 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.
- 17.5.13 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Issuer and the Agent, 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 Issuer or the Agent, as applicable.

## **18 Amendments and waivers**

- 18.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Bonds, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Bondholders as a group;
  - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
  - (c) is required by any applicable regulation, a court ruling or a decision by a relevant authority;
  - (d) is required by the Swedish FSA for the Bonds to satisfy the requirements for Additional Tier 1 Capital under the Capital Regulations as applied by the Swedish FSA from time to time (provided that it is not detrimental to the interest of the Bondholders as a group);
  - (e) such amendment is made in accordance with Clause 19 (*Replacement of Base Rate*);  
or
  - (f) has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.
- 18.2 Any amendments to the Finance Documents shall be made available in the manner stipulated in Clause 11.3 (*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. The Issuer shall promptly publish by way of press release any amendment or waiver made pursuant to Clause 18.1(a), (c), (d) or (e), in each case setting out the amendment in reasonable detail and the date from which the amendment or waiver will be effective.



- 18.3 An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## **19 Replacement of Base Rate**

### **19.1 General**

- 19.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 19 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.
- 19.1.2 If a Base Rate Event has occurred, this Clause 19 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

### **19.2 Definitions**

In this Clause 19:

“**Adjustment Spread**” means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof to be applied to a Successor Base Rate and that is:

- (a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or
- (b) if (a) is not applicable, the adjustment spread that the Independent Adviser determines is reasonable to use in order to eliminate, to the extent possible, any transfer of economic value from one party to another as a result of a replacement of the Base Rate and is customarily applied in comparable debt capital market transactions.

“**Base Rate Amendments**” has the meaning set forth in Clause 19.3.4.

“**Base Rate Event**” means one or several of the following circumstances:

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);

- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*) containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

“**Base Rate Event Announcement**” means a public statement or published information as set out in paragraph (b) to (e) of the definition of Base Rate Event that any event or circumstance specified therein will occur.

“**Independent Adviser**” means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

“**Relevant Nominating Body**” means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Council (Sw. *Finansiella stabilitetsrådet*) or any part thereof.

“**Successor Base Rate**” means:

- (a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as the Bonds, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or
- (b) if there is no such rate as described in paragraph (a), such other rate as the Independent Adviser determines is most comparable to the Base Rate.

For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply *mutatis mutandis* to such new Successor Base Rate.

### **19.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments**

- 19.3.1 Without prejudice to Clause 19.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 19.3.2.
- 19.3.2 If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer’s expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating, and finally deciding the applicable Base Rate.
- 19.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 19.3.2, the Bondholders shall, if so decided at a Bondholders’ Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer’s expense) for the purposes set forth in Clause 19.3.2. If the Issuer fails to carry out any other actions set forth in Clause 19.3 to 19.6, the Agent (acting on the instructions of the Bondholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer’s cooperation.

- 19.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice (“**Base Rate Amendments**”).
- 19.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

#### **19.4 Interim measures**

- 19.4.1 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:
- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
  - (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.
- 19.4.2 For the avoidance of doubt, Clause 19.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 19. This will however not limit the application of Clause 19.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 19 have been taken, but without success.

#### **19.5 Notices etc.**

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Issuing Agent and the Bondholders by way of press release and the CSD. The notice shall also include information about the effective date of the amendments. If the Bonds are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

#### **19.6 Variation upon replacement of Base Rate**

- 19.6.1 No later than giving the Agent notice pursuant to Clause 19.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 19.3.3) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 19. The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.

- 19.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 19.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 19.
- 19.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 19. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

## **19.7 Limitation of liability for the Independent Adviser**

Any Independent Adviser appointed pursuant to Clause 19.3 shall not be liable whatsoever for damage or loss caused by any determination, 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 Independent Adviser shall never be responsible for indirect or consequential loss.

## **20 The Agent**

### **20.1 Appointment of the Agent**

- 20.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent 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 (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer and in relation to any mandatory exchange of the Bonds for other securities (including, for the avoidance of doubt, a right for the Agent to subscribe for any such new securities on behalf of the relevant Bondholder). By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 20.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 20.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 20.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 20.1.5 The Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **20.2 Duties of the Agent**

- 20.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents.
- 20.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 20.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 20.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group 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.
- 20.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall, however, remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.
- 20.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:
- (a) for the purpose of investigating or considering:
    - (i) an event or circumstance which the Agent reasonably believes is or may lead to a breach of the Terms and Conditions; or
    - (ii) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents;
  - (b) in connection with any Bondholders' Meeting or Written Procedure; or
  - (c) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents (including for the purpose of deciding whether the conditions set out in Clause 18.1 are fulfilled).
- 20.2.7 Any compensation for damages or other recoveries received by the Agent 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 16 (*Distribution of Proceeds*).
- 20.2.8 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 20.2.9 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor (i) whether any breach of the Terms and Conditions has occurred, (ii) the financial condition of the Issuer and the Group, (iii) the performance or any breach by the Issuer or any other party of its obligations under the Finance Documents, or (iv) whether any other event specified in any Finance Document has occurred or is expected to occur, and should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

- 20.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 20.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 20.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 20.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent 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.
- 20.2.13 The Agent shall give a notice to the Bondholders:
- (a) 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 Agent under the Finance Documents or the Agency Agreement; or
  - (b) if it refrains from acting for any reason described in Clause 20.2.12.

### **20.3 Liability for the Agent**

- 20.3.1 The Agent 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 negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 20.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 20.3.3 The Agent 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 Agent to the Bondholders, provided that the Agent 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 Agent for that purpose.
- 20.3.4 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- 20.3.5 Any liability towards the Issuer which is incurred by the Agent 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.

## **20.4 Replacement of the Agent**

- 20.4.1 Subject to Clause 20.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 20.4.2 Subject to Clause 20.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. 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 Agent be dismissed and a new Agent appointed.
- 20.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after:
- (a) the earlier of the notice of resignation was given or the resignation otherwise took place; or
  - (b) the Agent was dismissed through a decision by the Bondholders,
- the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of market loans.
- 20.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 20.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:
- (a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and
  - (b) the period pursuant to Clause 20.4.4 having lapsed.
- 20.4.7 Upon the appointment of a successor, the retiring Agent 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 Agent. 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 Agent.
- 20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **21 The Issuing Agent**

- 21.1 The Issuer shall when necessary appoint an Issuing 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. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.
- 21.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Bonds.
- 21.3 The Issuing Agent 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 Issuing Agent shall never be responsible for indirect or consequential loss.

## **22 The CSD**

- 22.1 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.
- 22.2 The CSD may 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 is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the admission to trading of the Bonds on the Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

## **23 No direct actions by Bondholders**

- 23.1 A Bondholder may not take any steps whatsoever against the Issuer 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 in any jurisdiction of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents. Such steps may only be taken by the Agent.
- 23.2 Clause 23.1 shall not apply if the Agent 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 20.1.2), 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 Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 20.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.13 before a Bondholder may take any action referred to in Clause 23.1.
- 23.3 The provisions of this Clause 23 are subject to the over-riding limitations in Clause 2 (*Status of the Bonds*).

## **24 Prescription**

- 24.1 The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. Subject to Clause 8.2 (*Interest cancellation*),



the right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.

- 24.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and, subject to Clause 8.2 (*Interest cancellation*), of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## **25 Notices and press releases**

### **25.1 Notices**

- 25.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to such email address notified by the Agent to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to such email address notified by the Issuer to the Agent from time to time; and
- (c) if to the Bondholders, shall be given at their addresses registered with the CSD on a date selected by the sending person which falls no more than five (5) Business Days prior to the date on which the notice or communication is sent, and by either courier delivery (if practically possible) or letter for all Bondholders. A notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.

- 25.1.2 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 letter (and, if between the Agent and the Issuer, 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 25.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1 or, in case of email to the Agent or the Issuer, when received in readable form by the email recipient.

- 25.1.3 Any notice which shall be provided to the Bondholders in physical form pursuant to these Terms and Conditions may, at the discretion of the Agent, be limited to:

- (a) a cover letter, which shall include:
  - (i) all information needed in order for Bondholders to exercise their rights under the Finance Documents;
  - (ii) details of where Bondholders can retrieve additional information;
  - (iii) contact details to the Agent; and
  - (iv) an instruction to contact the Agent should any Bondholder wish to receive the additional information by regular mail; and

- (b) copies of any document needed in order for Bondholder to exercise their rights under the Finance Documents.

25.1.4 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.

## **25.2 Press releases**

If any information relating to the Bonds or the Issuer contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information.

## **26 Force Majeure and limitation of liability**

26.1 Neither the Agent nor the Issuing 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 Agent or the Issuing Agent itself takes such measures, or is subject to such measures.

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

26.3 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **27 Governing law and jurisdiction**

27.1 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 Sweden.

27.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).

We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Stockholm, Sweden

Date: 18 December 2023

**SVEA BANK AB**  
as Issuer

A handwritten signature in blue ink, appearing to read 'Simon Nybacka', written over a horizontal line.

Name: Simon Nybacka

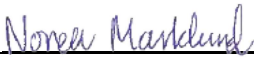

*(Signature— Terms and conditions)*

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

Place: Stockholm, Sweden

Date: 18 December 2023

**INTERTRUST (SWEDEN) AB**  
**as Agent**

   
Name: Norea Marklund Kristofer Nivenius

*(Signature page– Terms and conditions)*